

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 08/21/2014

**INITIAL SERVICE DATE:** 06/01/2004                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 7/1/14: Add Delivery Point - Longview Inc to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p><b>11. FACILITIES</b> 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b> 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and</p>

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																									
	<p>intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level</th> <th style="text-align: center;">The Company Pays Shipper the Following</th> <th style="text-align: center;">Shipper Pays</th> <th style="text-align: center;">Overage Cash-Out Price</th> <th style="text-align: center;">Underage Following</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">From 5% to 10%</td> </tr> <tr> <td style="text-align: left;">80%</td> <td style="text-align: center;">120%</td> <td style="text-align: center;">From 10% to 15%</td> <td style="text-align: center;">70%</td> <td></td> </tr> <tr> <td style="text-align: left;">130%</td> <td style="text-align: center;">From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">140%</td> <td style="text-align: center;">Greater than 20%</td> </tr> <tr> <td style="text-align: left;">50%</td> <td style="text-align: center;">150%</td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper</p>	Imbalance Level	The Company Pays Shipper the Following	Shipper Pays	Overage Cash-Out Price	Underage Following	Percentage of the Cash-Out Price	From 0% to 5%	100%	100%	From 5% to 10%	80%	120%	From 10% to 15%	70%		130%	From 15% to 20%	60%	140%	Greater than 20%	50%	150%			
Imbalance Level	The Company Pays Shipper the Following	Shipper Pays	Overage Cash-Out Price	Underage Following																						
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<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY</p>

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornados, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012 Terms &amp; Conditions</p>
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 16140

CURRENT RATE COMPONENT

RATE COMP. ID

DESCRIPTION

between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 1 of 2

SHIPPER INFORMATION Name of Shipper:

Number: \_\_\_\_\_ Shipper's Dunn's

Shipper's Email Billing Address: \_\_\_\_\_ Shipper's Physical Business Address:

\_\_\_\_\_

Note: Bills are rendered via E-mail and are due and payable

when E-mail is sent by Company. \_\_\_\_\_ Shipper's Business Email Address:

GENERAL INFORMATION Term of Service

Begin Date:

End Date:

Evergreen: Yes or No

Period of Evergreen: 1 Year, 2 Years, etc. \_\_\_\_\_

Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:

Facility Information End-User Business Name: \_\_\_\_\_

End-User

End-User Dunn's Number: \_\_\_\_\_

Service (Business) Address: \_\_\_\_\_

End-User Physical

End-User Facility Contact

for Operating Information and Emergency Notices Name: \_\_\_\_\_

Office Telephone: \_\_\_\_\_

Office Fax: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Delivery Information Number of Meters Receiving Transportation Service: \_\_\_\_\_

Delivery Point(s): \_\_\_\_\_

Receipt Point(s): \_\_\_\_\_

Quantities: MDQ (in MMBtu/day) \_\_\_\_\_

Upstream Pipeline Contact for Confirmations Name: \_\_\_\_\_

Office Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Office

E-Mail Address: \_\_\_\_\_

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 2 of 2

NOTICES TO SHIPPER

Operational Notices Supply Coordinator: \_\_\_\_\_

Office Fax: \_\_\_\_\_

Office Telephone: \_\_\_\_\_

Business E-Mail Address: \_\_\_\_\_

Other Notices

Marketing Representative: \_\_\_\_\_

All

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Office Fax: _____ Office Telephone: _____
	Business E-Mail Address: _____ Business Mailing Address: _____
	Operational Notices Employee Name: _____ Office
	Fax: _____ Office Telephone: _____
	Business E-Mail Address: _____
	All Other Notices Employee Name: _____ Office Fax: _____
	Office Telephone: _____
	Business E-Mail Address: _____ Business Mailing Address: _____
	INDEX FOR SHIPPER CASH-OUT
	CALCULATIONS Applicable Monthly Index: _____
	Applicable Index Adder or WACOG: _____ Applicable
	Daily Index: _____
	ACKNOWLEDGEMENTS Signature of Shipper: _____
	Date of Execution by Shipper: _____ Signature of
	End-User: _____
	Date of Execution by End-User: _____

Tnspt Terms T-65 A

**CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65**

**1. APPLICABILITY** 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65

**2. DEFINITIONS** 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 16140
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company appraised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s);</p>



GAS SERVICES DIVISION  
 GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 16140
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

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**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
60	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> CLEVELAND, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
23	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
78	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> DAYTON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
48	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> CARTHAGE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
96	D	MMBtu	\$ .0000	05/01/2006	N
<b>DESCRIPTION:</b> EL CAMPO, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
155	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> HUNTSVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
234	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> NACOGDOCHES, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
252	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> ORANGE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
302	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> RUSK, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
34650	D	MMBtu	\$ .0000	05/01/2011	N
<b>DESCRIPTION:</b> GILMER					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
34651	D	MMBtu	\$ .0000	04/01/2011	N
<b>DESCRIPTION:</b> LONE STAR					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
34653	D	MMBtu	\$ .0000	01/01/2014	N
<b>DESCRIPTION:</b> DANGERFIELD					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
359	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> TYLER, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
42967	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> AMES, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
42969	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> BASTROP, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
42971	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> BEAUMONT, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
42976	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> CENTER, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
42977	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> CENTER, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
42978	D	MMBtu	\$ .0000	04/01/2008	N
<b>DESCRIPTION:</b> CHEEK, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
42981	D	MMBtu	\$ .0000	02/01/2012	N
<b>DESCRIPTION:</b> CLEVELAND, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42982	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> CORRIGAN, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42983	D	MMBtu	\$.0000	05/01/2007	N
<b>DESCRIPTION:</b> CORRIGAN, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42985	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> DAYTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42987	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> DIBOLL, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42989	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> GLADEWATER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42990	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> HENDERSON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42991	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> HENDERSON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42992	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> HONDO, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42994	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> HUNTSVILLE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42997	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> JACKSONVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42999	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> JASPER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43001	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> KENEDY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43003	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> LAREDO, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43004	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> LATEXO, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43005	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> LATEXO, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43006	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> LONGVIEW, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43007	0	MMBtu	\$ .0000	07/01/2014	N
<b>DESCRIPTION:</b> LONGVIEW, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43009	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> LUFKIN, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43011	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> MARSHALL, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43012	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> NACAGDOCHES, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
43013	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> NEW BRAUNFELS, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43014	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> NEW BRAUNFELS, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43015	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> ORANGE, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43019	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> SAN MARCOS, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43021	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> SCHULENBURG, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43023	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> SEGUIN, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43025	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> SELMA, INC.					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43026	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> SILSBEE, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43028	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> TENAHA, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					
43030	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> TYLER, ENVIRONS					
<b>Customer</b> 34371                      CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
43033	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> VICTORIA, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43034	D	MMBtu	\$.0000	09/01/2011	N
<b>DESCRIPTION:</b> WEIMAR, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43035	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> WEIMAR, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55674	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> EL CAMPO, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58922	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> CAMP GARY, Environs					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58927	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> GRAPELAND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58938	D	MMBtu	\$.0000	10/01/2010	N
<b>DESCRIPTION:</b> MT. PLEASANT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58939	D	MMBtu	\$.0000	11/01/2011	N
<b>DESCRIPTION:</b> LONE STAR, ENV.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68834	D	MMBtu	\$.0000	04/01/2008	N
<b>DESCRIPTION:</b> HALLETTSVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68964	D	MMBtu	\$.0000	01/01/2008	N
<b>DESCRIPTION:</b> PINEHURST, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16140**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
73141	D	MMBTu	\$.0000	05/01/2009	N
<b>DESCRIPTION:</b> HUGHES SPRINGS, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77065	D	MMBTu	\$.0000	09/01/2010	N
<b>DESCRIPTION:</b> GIDDINGS, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77066	D	MMBTu	\$.0000	10/01/2010	N
<b>DESCRIPTION:</b> CROCKETT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77963	D	MMBTu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> DANGERFIELD, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
85545	D	MMBTu	\$.0000	01/01/2012	N
<b>DESCRIPTION:</b> HUGHES SPRINGS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
86346	D	MMBTu	\$.0000	06/01/2013	N
<b>DESCRIPTION:</b> GIDDINGS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16143**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 11/01/2005                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24864	TGLO	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 16143

**CURRENT RATE COMPONENT**

RATE COMP. ID	DESCRIPTION
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 16143

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16143**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

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	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p>
<p>Tnspt Terms T-65 B</p>	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>



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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">the Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">100% From 5% to</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	100% From 5% to	130% From 15% to 20%	60%	70%	50%	150%	140% Greater than 20%
	Overage	Underage																				
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Percentage of the Cash-Out Price	From 0% to 5%	100%																				
10%	80%	100% From 5% to																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 16143

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 16143**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
23	D	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 24864 TGLO					
42969	D	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> BASTROP, ENVIRONS					
Customer 24864 TGLO					
43009	D	MMBtu	\$ .0000	11/01/2005	N
<b>DESCRIPTION:</b> LUFKIN, INC.					
Customer 24864 TGLO					
43019	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> SAN MARCOS, INC.					
Customer 24864 TGLO					
58941	D	MMBtu	\$ .0000	01/01/2010	N
<b>DESCRIPTION:</b> NEW BOSTON, ENV.					
Customer 24864 TGLO					
58942	D	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> SMITHVILLE, ENV.					
Customer 24864 TGLO					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16144**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 08/21/2014

**INITIAL SERVICE DATE:** 04/01/2005                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 7/1/14: Add Delivery Point - Rosenberg Env to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 16144**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 16144

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 16144
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

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	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>



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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
<p>Tnspt Terms T-69 B</p>	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th>Imbalance Level</th> <th>The Company Pays Shipper the Following</th> <th>Shipper Pays the</th> <th>Overage Cash-Out Price</th> <th>Underage Percentage of</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>80%</td> <td>From 0% to 5%</td> <td>120%</td> </tr> <tr> <td>15%</td> <td>70%</td> <td>130%</td> <td></td> <td>From 10% to</td> </tr> <tr> <td>140%</td> <td>Greater than 20%</td> <td>50%</td> <td></td> <td>150%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>	Imbalance Level	The Company Pays Shipper the Following	Shipper Pays the	Overage Cash-Out Price	Underage Percentage of	100%	100%	80%	From 0% to 5%	120%	15%	70%	130%		From 10% to	140%	Greater than 20%	50%		150%
Imbalance Level	The Company Pays Shipper the Following	Shipper Pays the	Overage Cash-Out Price	Underage Percentage of																	
100%	100%	80%	From 0% to 5%	120%																	
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140%	Greater than 20%	50%		150%																	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 16144
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012 Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16144**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16144**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
10	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> ANGLETON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
149	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
150	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
155	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> HUNTSVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
352	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> TEXAS CITY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55670	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55671	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> TEXAS CITY, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55672	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> DICKINSON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55673	D	MMBtu	\$.0000	05/01/2009	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55675	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> RICHMOND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16144**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
55678	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> LA PORTE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58916	D	MMBtu	\$.0000	02/01/2008	N
<b>DESCRIPTION:</b> ROSHARON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58921	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> ALVIN, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58923	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> CHANNEL AREA, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58924	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> CONROE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58925	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> CROSBY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58926	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> DEER PARK, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58928	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> HUMBLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58929	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> MONTGOMERY COUNTY, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58930	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16144**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
58931	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> SEABROOK, ENV.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58932	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> SHENANDOAH, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58933	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58934	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> TEAL RUN, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58935	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> WEBSTER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58936	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> WOODLANDS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
66265	D	MMBtu	\$.0000	02/01/2007	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
66266	D	MMBtu	\$.0000	02/01/2008	N
<b>DESCRIPTION:</b> JONES CREEK, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68171	D	MMBtu	\$.0000	10/01/2008	N
<b>DESCRIPTION:</b> OYSTER CREEK, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68835	D	MMBtu	\$.0000	01/01/2008	N
<b>DESCRIPTION:</b> FREEPORT, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16144**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
68836	D	MMBtu	\$.0000	12/01/2013	N
<b>DESCRIPTION:</b> BROOKSHIRE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68837	D	MMBtu	\$.0000	04/01/2014	N
<b>DESCRIPTION:</b> ANGLETON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68838	D	MMBtu	\$.0000	10/01/2012	N
<b>DESCRIPTION:</b> BARRETT'S SETTLEMENT, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73134	D	MMBtu	\$.0000	01/01/2009	N
<b>DESCRIPTION:</b> SOUTH HOUSTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73135	D	MMBtu	\$.0000	02/01/2012	N
<b>DESCRIPTION:</b> HIGHLANDS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73142	D	MMBtu	\$.0000	02/01/2009	N
<b>DESCRIPTION:</b> GALENA PARK, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73145	D	MMBtu	\$.0000	01/01/2009	N
<b>DESCRIPTION:</b> CROSBY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77967	D	MMBtu	\$.0000	03/01/2014	N
<b>DESCRIPTION:</b> MISSOURI CITY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
87308	D	MMBtu	\$.0000	07/01/2014	N
<b>DESCRIPTION:</b> ROSENBERG, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 16144**

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 19394**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 09/23/2014

**INITIAL SERVICE DATE:** 03/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Eff 8/1/14 Cust Name Changed from #28438 to #35296. Remove DP #s 42989 and 42997. Add DP Schulenberg Inc from T20725

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35296	CONTINUUM ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 19394
------------------------	-----------------------------

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
Tnspt Terms T-65 B	Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 19394

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																														
	<p>intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 1323 519 1354">Imbalance Level</th> <th data-bbox="519 1323 812 1354">The Company Pays Shipper the</th> <th data-bbox="812 1323 1088 1354">Shipper Pays</th> <th data-bbox="1088 1323 1331 1354">Overage</th> <th data-bbox="1331 1323 1502 1354">Underage</th> </tr> <tr> <th data-bbox="284 1354 519 1386">Percentage of the</th> <th data-bbox="519 1354 812 1386">Company the Following</th> <th data-bbox="812 1354 1088 1386"></th> <th data-bbox="1088 1354 1331 1386">Cash-Out Price</th> <th data-bbox="1331 1354 1502 1386">Following</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 1386 519 1417">Percentage of the Cash-Out Price</td> <td data-bbox="519 1386 812 1417">From 0% to 5%</td> <td data-bbox="812 1386 1088 1417">100%</td> <td data-bbox="1088 1386 1331 1417"></td> <td data-bbox="1331 1386 1502 1417">100% From 5% to</td> </tr> <tr> <td data-bbox="284 1417 519 1449">10%</td> <td data-bbox="519 1417 812 1449">80%</td> <td data-bbox="812 1417 1088 1449">120% From 10% to 15%</td> <td data-bbox="1088 1417 1331 1449"></td> <td data-bbox="1331 1417 1502 1449">70%</td> </tr> <tr> <td data-bbox="284 1449 519 1480">130% From 15% to 20%</td> <td data-bbox="519 1449 812 1480">60%</td> <td data-bbox="812 1449 1088 1480"></td> <td data-bbox="1088 1449 1331 1480">140%</td> <td data-bbox="1331 1449 1502 1480">Greater than 20%</td> </tr> <tr> <td data-bbox="284 1480 519 1512">50%</td> <td data-bbox="519 1480 812 1512">150%</td> <td data-bbox="812 1480 1088 1512"></td> <td data-bbox="1088 1480 1331 1512"></td> <td data-bbox="1331 1480 1502 1512"></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Overage	Underage	Percentage of the	Company the Following		Cash-Out Price	Following	Percentage of the Cash-Out Price	From 0% to 5%	100%		100% From 5% to	10%	80%	120% From 10% to 15%		70%	130% From 15% to 20%	60%		140%	Greater than 20%	50%	150%			
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 19394
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 19394

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 19394

CURRENT RATE COMPONENT

RATE COMP. ID

DESCRIPTION

between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 1 of 2

SHIPPER INFORMATION Name of Shipper:

Number: \_\_\_\_\_ Shipper's Dunn's

Shipper's Email Billing Address: \_\_\_\_\_ Shipper's Physical Business Address:

\_\_\_\_\_

Note: Bills are rendered via E-mail and are due and payable

when E-mail is sent by Company. \_\_\_\_\_ Shipper's Business Email Address:

GENERAL INFORMATION Term of Service

Begin Date:

End Date:

Evergreen: Yes or No

Period of Evergreen: 1 Year, 2 Years, etc. \_\_\_\_\_

Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:

Facility Information End-User Business Name: \_\_\_\_\_

End-User

End-User Dunn's Number: \_\_\_\_\_

Service (Business) Address: \_\_\_\_\_

End-User Physical

End-User Facility Contact

for Operating Information and Emergency Notices Name: \_\_\_\_\_

Office Telephone: \_\_\_\_\_

Office Fax: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Delivery Information Number of Meters Receiving Transportation Service: \_\_\_\_\_

Delivery Point(s): \_\_\_\_\_

Receipt Point(s): \_\_\_\_\_

Quantities: MDQ (in MMBtu/day) \_\_\_\_\_

Upstream Pipeline Contact for Confirmations Name: \_\_\_\_\_

Office Telephone: \_\_\_\_\_

Fax: \_\_\_\_\_

Office

E-Mail Address: \_\_\_\_\_

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 2 of 2

NOTICES TO SHIPPER

Operational Notices Supply Coordinator: \_\_\_\_\_

Office Fax: \_\_\_\_\_

Office Telephone: \_\_\_\_\_

Business E-Mail Address: \_\_\_\_\_

Other Notices

Marketing Representative: \_\_\_\_\_

All



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 19394

CURRENT RATE COMPONENT

Table with columns RATE COMP. ID and DESCRIPTION. Includes fields for Office Fax, Business E-Mail Address, Office Telephone, Business Mailing Address, Operational Notices Employee Name, Office, Fax, Office Telephone, Business E-Mail Address, Office Fax, Office Telephone, Business Mailing Address, INDEX FOR SHIPPER CASH-OUT, Applicable Monthly Index, Applicable Index Adder or WACOG, Daily Index, ACKNOWLEDGEMENTS Signature of Shipper, Date of Execution by Shipper, Signature of End-User, Date of Execution by End-User.

Tnspt Terms T-65 A

CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 19394
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company appraised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s);</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 19394

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65      Effective 06-01-2012 Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 19394**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
234	D	MMBtu	\$ .0000	11/01/2011	N
<b>DESCRIPTION:</b> NACOGDOCHES, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
43021	D	MMBtu	\$ .0000	03/01/2008	N
<b>DESCRIPTION:</b> SCHULENBURG, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
43019	D	MMBtu	\$ .0000	06/01/2007	N
<b>DESCRIPTION:</b> SAN MARCOS, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
43023	D	MMBtu	\$ .0000	12/01/2012	N
<b>DESCRIPTION:</b> SEGUIN, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
58938	D	MMBtu	\$ .0000	06/01/2007	N
<b>DESCRIPTION:</b> MT. PLEASANT, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
86373	D	MMBtu	\$ .0000	08/01/2013	N
<b>DESCRIPTION:</b> ORE CITY, ENVIRONS					
Customer 35296 CONTINUUM ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 19411**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 08/01/2007                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
28436	RANDOLPH AIR FORCE BASE	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 19411

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 19411

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 19411

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

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## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p>
<p>Tnspt Terms T-65 B</p>	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 19411

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																					
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">the Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">100% From 5% to</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	100% From 5% to	130% From 15% to 20%	60%	70%	50%	150%	140% Greater than 20%
	Overage	Underage																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 19411

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 19411**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
66345	D	MMBtu	\$.0000	08/01/2007	N
<b>DESCRIPTION:</b> UNIVERSAL CITY, INC.					
<b>Customer</b>	28436	RANDOLPH AIR FORCE BASE			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The rate is substantially the same as the rate between the gas utility and at least two of those customers under the same or similar conditions of service.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20587**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 06/01/2008                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29240	LUMINANT ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 20587**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>_____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 20587

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20587

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20587

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>

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GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
<p>Tnspt Terms T-69 B</p>	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 20587
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="289 588 446 682">Imbalance Level Percentage of the Cash-</th> <th data-bbox="514 588 828 682">The Company Pays Shipper the Company the Following</th> <th data-bbox="889 588 1047 682">Shipper Pays the Cash-Out Price</th> <th data-bbox="1023 588 1242 682">Overage Cash-Out Price From 0% to 5%</th> <th data-bbox="1299 588 1437 682">Underage Following Percentage of</th> </tr> </thead> <tbody> <tr> <td data-bbox="289 682 446 724">100%</td> <td data-bbox="514 682 828 724">100% From 5% to 10%</td> <td data-bbox="889 682 1047 724">80%</td> <td data-bbox="1023 682 1242 724"></td> <td data-bbox="1299 682 1437 724">120% From 10% to</td> </tr> <tr> <td data-bbox="289 724 446 766">15%</td> <td data-bbox="514 724 828 766">70%</td> <td data-bbox="889 724 1047 766">130% From 15% to 20%</td> <td data-bbox="1023 724 1242 766">60%</td> <td data-bbox="1299 724 1437 766"></td> </tr> <tr> <td data-bbox="289 766 446 808">140% Greater than 20%</td> <td data-bbox="514 766 828 808">50%</td> <td data-bbox="889 766 1047 808">150%</td> <td data-bbox="1023 766 1242 808"></td> <td data-bbox="1299 766 1437 808"></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>	Imbalance Level Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the Cash-Out Price	Overage Cash-Out Price From 0% to 5%	Underage Following Percentage of	100%	100% From 5% to 10%	80%		120% From 10% to	15%	70%	130% From 15% to 20%	60%		140% Greater than 20%	50%	150%		
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20587

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012 Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20587**

**RATE ADJUSTMENT PROVISIONS:**

None



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20587**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 29240 LUMINANT ENERGY					
150	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 29240 LUMINANT ENERGY					
352	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> TEXAS CITY, INC.					
Customer 29240 LUMINANT ENERGY					
43033	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> VICTORIA, INC.					
Customer 29240 LUMINANT ENERGY					
55670	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 29240 LUMINANT ENERGY					
55675	D	MMBtu	\$ .0000	03/01/2009	N
<b>DESCRIPTION:</b> RICHMOND, INC.					
Customer 29240 LUMINANT ENERGY					
58921	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> ALVIN, INC.					
Customer 29240 LUMINANT ENERGY					
58924	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> CONROE, INC.					
Customer 29240 LUMINANT ENERGY					
58930	D	MMBtu	\$ .0000	06/01/2008	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 29240 LUMINANT ENERGY					
58933	D	MMBtu	\$ .0000	04/01/2005	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
Customer 29240 LUMINANT ENERGY					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20587**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
58935	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> WEBSTER, INC.					
<b>Customer</b>	29240	LUMINANT ENERGY			
58943	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> GALENA PARK, ENVIRONS					
<b>Customer</b>	29240	LUMINANT ENERGY			
66267	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> WHARTON, INC.					
<b>Customer</b>	29240	LUMINANT ENERGY			
68836	D	MMBtu	\$.0000	07/01/2008	N
<b>DESCRIPTION:</b> BROOKSHIRE, ENVIRONS					
<b>Customer</b>	29240	LUMINANT ENERGY			
68837	D	MMBtu	\$.0000	01/01/2008	N
<b>DESCRIPTION:</b> ANGLETON, INC.					
<b>Customer</b>	29240	LUMINANT ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20589**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 06/01/2008                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29240	LUMINANT ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20589

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 20589

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20589

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

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RATE COMP. IDDESCRIPTION

information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>



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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 20589**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																					
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">the Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">100% From 5% to</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	100% From 5% to	130% From 15% to 20%	60%	70%	50%	150%	140% Greater than 20%
	Overage	Underage																				
Imbalance Level	The Company Pays Shipper the	Shipper Pays																				
Percentage of the	the Company the Following	Cash-Out Price																				
Percentage of the Cash-Out Price	From 0% to 5%	100%																				
10%	80%	100% From 5% to																				
130% From 15% to 20%	60%	70%																				
50%	150%	140% Greater than 20%																				

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 20589
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 20589**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
234	D	MMBtu	\$.0000	06/01/2007	N
<b>DESCRIPTION:</b> NACOGDOCHES, INC.					
Customer 29240 LUMINANT ENERGY					
42978	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> CHEEK, ENVIRONS					
Customer 29240 LUMINANT ENERGY					
43009	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> LUFKIN, INC.					
Customer 29240 LUMINANT ENERGY					
43015	D	MMBtu	\$.0000	06/01/2009	N
<b>DESCRIPTION:</b> ORANGE, INC.					
Customer 29240 LUMINANT ENERGY					
43033	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> VICTORIA, INC.					
Customer 29240 LUMINANT ENERGY					
58927	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> GRAPELAND, INC.					
Customer 29240 LUMINANT ENERGY					
73133	D	MMBtu	\$.0000	12/01/2009	N
<b>DESCRIPTION:</b> ALICE, INC.					
Customer 29240 LUMINANT ENERGY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20657**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 08/21/2014

**INITIAL SERVICE DATE:** 05/01/2008                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 7/1/14: Add Delivery Point - Pecan Grove Env to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20657

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-72 B	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</p> <p><b>11. FACILITIES</b></p> <p>11.1 For any Exhibit A effective prior to June 1, 2012:</p> <p>11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry.</p> <p>11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2 For any Exhibit A effective on or after June 1, 2012:</p> <p>11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point.</p> <p>11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point.</p> <p>11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.</p> <p>11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A:</p> <p>11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or</p> <p>11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month</p> <p>11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer.</p> <p>11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b></p> <p>12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply.</p> <p>12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical.</p> <p>12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances.</p> <p>12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply.</p> <p>12.5 Daily Imbalances During Critical Period Events</p> <p>12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers.</p> <p>12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20657

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																				
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level</th> <th style="text-align: center;">The Company Pays Shipper the</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Following</th> </tr> <tr> <th style="text-align: left;">Percentage of the Cash-</th> <th style="text-align: center;">Company the Following</th> <th style="text-align: center;">Cash-Out Price</th> <th style="text-align: center;">Percentage of the</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to 15%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following	Percentage of the Cash-	Company the Following	Cash-Out Price	Percentage of the	100%	100% From 5% to 10%	80%	120% From 10% to 15%	140%	70%	130% From 15% to 20%	60%	Greater than 20%	50%	150%	
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## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

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conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination of all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY,



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	<p>SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012 Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-72	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et</p>

GAS SERVICES DIVISION

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TARIFF CODE: DT RRC TARIFF NO: 20657

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	<p>seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service Begin Date: _____ End Date: _____ Evergreen: Yes or No _____ Period of Evergreen: 1 Year, 2 Years, etc. _____</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ E-Mail Address: _____</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____</p>

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Table with columns RATE COMP. ID and DESCRIPTION. Includes fields for Marketing Representative, Operational Notices Employee Name, and ACKNOWLEDGEMENTS.

Tnspt Terms T-72 A

CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtu which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 20657
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20657

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72                      Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 20657
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<b>RATE ADJUSTMENT PROVISIONS:</b>
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None
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20657**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
150	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
10	D	MMBtu	\$.0000	04/01/2009	N
<b>DESCRIPTION:</b> ANGLETON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
149	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
194	D	MMBtu	\$.0000	10/01/2010	N
<b>DESCRIPTION:</b> LA PORTE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
352	D	MMBtu	\$.0000	09/01/2009	N
<b>DESCRIPTION:</b> TEXAS CITY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55670	D	MMBtu	\$.0000	06/01/2010	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55673	D	MMBtu	\$.0000	05/01/2008	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55675	D	MMBtu	\$.0000	05/01/2009	N
<b>DESCRIPTION:</b> RICHMOND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55678	D	MMBtu	\$.0000	09/01/2009	N
<b>DESCRIPTION:</b> LA PORTE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58923	D	MMBtu	\$.0000	01/01/2010	N
<b>DESCRIPTION:</b> CHANNEL AREA, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20657**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
58924	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> CONROE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58926	D	MMBtu	\$.0000	05/01/2014	N
<b>DESCRIPTION:</b> DEER PARK, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58928	D	MMBtu	\$.0000	01/01/2010	N
<b>DESCRIPTION:</b> HUMBLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58929	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> MONTGOMERY COUNTY, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58933	D	MMBtu	\$.0000	02/01/2010	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58935	D	MMBtu	\$.0000	07/01/2013	N
<b>DESCRIPTION:</b> WEBSTER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58936	D	MMBtu	\$.0000	07/01/2008	N
<b>DESCRIPTION:</b> WOODLANDS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
66265	D	MMBtu	\$.0000	06/01/2009	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
66267	D	MMBtu	\$.0000	07/01/2013	N
<b>DESCRIPTION:</b> WHARTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
67772	D	MMBtu	\$.0000	06/01/2013	N
<b>DESCRIPTION:</b> LAKE JACKSON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20657**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
68172	D	MMBtu	\$.0000	06/01/2008	N
<b>DESCRIPTION:</b> NASSAU BAY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68835	D	MMBtu	\$.0000	01/01/2009	N
<b>DESCRIPTION:</b> FREEPORT, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68836	D	MMBtu	\$.0000	08/01/2010	N
<b>DESCRIPTION:</b> BROOKSHIRE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68838	D	MMBtu	\$.0000	07/01/2008	N
<b>DESCRIPTION:</b> BARRETT'S SETTLEMENT, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73135	D	MMBtu	\$.0000	02/01/2009	N
<b>DESCRIPTION:</b> HIGHLANDS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73137	D	MMBtu	\$.0000	02/01/2009	N
<b>DESCRIPTION:</b> SUGAR LAND, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73143	D	MMBtu	\$.0000	07/01/2009	N
<b>DESCRIPTION:</b> HUMBLE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77067	D	MMBtu	\$.0000	10/01/2010	N
<b>DESCRIPTION:</b> SOUTHSIDE PLACE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
80624	D	MMBtu	\$.0000	07/01/2014	N
<b>DESCRIPTION:</b> PECAN GROVE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20657**

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20658**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 07/01/2008                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29391	CONSTELLATION	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 20658

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-72	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 20658

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20658

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-72 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 20658
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

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	<p>days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72      Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
<p>Tnspt Terms T-72 B</p>	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>



## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

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TARIFF CODE: DT

RRC TARIFF NO: 20658

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 20658**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																												
	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">Overage</td> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Following</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Percentage of the</td> </tr> <tr> <td style="text-align: center;">Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> <td></td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to 15%</td> </tr> <tr> <td></td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td></td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall</p>		Overage		Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following	Percentage of the	Company the Following	Cash-Out Price	Percentage of the	Cash-		Out Price From 0% to 5%		100%	100% From 5% to 10%	80%	120% From 10% to 15%		70%	130% From 15% to 20%	60%	140% Greater than 20%	50%	150%	
	Overage		Underage																										
Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following																										
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20658

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 20658**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	07/01/2008	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	29391	CONSTELLATION			
150	D	MMBtu	\$ .0000	09/01/2009	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
<b>Customer</b>	29391	CONSTELLATION			
58929	D	MMBtu	\$ .0000	09/01/2008	N
<b>DESCRIPTION:</b> MONTGOMERY COUNTY, ENVIRONS					
<b>Customer</b>	29391	CONSTELLATION			
58933	D	MMBtu	\$ .0000	01/01/2013	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
<b>Customer</b>	29391	CONSTELLATION			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20659**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 05/01/2008                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29240	LUMINANT ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20659

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-72	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: center;">Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">Begin Date: _____ GENERAL INFORMATION Term of Service _____</p> <p style="text-align: center;">_____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 20659

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

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**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20659

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-72 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtu which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate</p>



GAS SERVICES DIVISION

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**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20659

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of</p>

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	<p>days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72      Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-72 B	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>

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	<p>chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20659

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																
	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 619 487 703">Imbalance Level Percentage of the Cash-</th> <th data-bbox="487 619 893 703">The Company Pays Shipper the Company the Following</th> <th data-bbox="893 619 1218 703">Shipper Pays the Cash-Out Price</th> <th data-bbox="1218 619 1502 703">Following Underage Percentage of the</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 703 487 745">100%</td> <td data-bbox="487 703 893 745">100% From 5% to 10%</td> <td data-bbox="893 703 1218 745">80%</td> <td data-bbox="1218 703 1502 745">120% From 10% to 15%</td> </tr> <tr> <td data-bbox="284 745 487 787">140%</td> <td data-bbox="487 745 893 787">70%</td> <td data-bbox="893 745 1218 787">130% From 15% to 20%</td> <td data-bbox="1218 745 1502 787">60%</td> </tr> <tr> <td data-bbox="284 787 487 829">Greater than 20%</td> <td data-bbox="487 787 893 829">50%</td> <td data-bbox="893 787 1218 829">150%</td> <td data-bbox="1218 787 1502 829">12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. 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In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. 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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 20659
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20659**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20659**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
66267	D	MMBtu	\$ .0000	09/01/2008	N
<b>DESCRIPTION:</b> WHARTON, INC.					
Customer 29240 LUMINANT ENERGY					
67772	D	MMBtu	\$ .0000	05/01/2008	N
<b>DESCRIPTION:</b> LAKE JACKSON, INC.					
Customer 29240 LUMINANT ENERGY					
67773	D	MMBtu	\$ .0000	07/01/2008	N
<b>DESCRIPTION:</b> LIVERPOOL, INC.					
Customer 29240 LUMINANT ENERGY					
68836	D	MMBtu	\$ .0000	02/01/2009	N
<b>DESCRIPTION:</b> BROOKSHIRE, ENVIRONS					
Customer 29240 LUMINANT ENERGY					
73136	D	MMBtu	\$ .0000	03/01/2009	N
<b>DESCRIPTION:</b> SANTA FE, INC.					
Customer 29240 LUMINANT ENERGY					
149	D	MMBtu	\$ .0000	05/01/2008	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 29240 LUMINANT ENERGY					
150	D	MMBtu	\$ .0000	08/01/2008	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 29240 LUMINANT ENERGY					
194	D	MMBtu	\$ .0000	06/01/2009	N
<b>DESCRIPTION:</b> LA PORTE, INC.					
Customer 29240 LUMINANT ENERGY					
55675	D	MMBtu	\$ .0000	01/01/2009	N
<b>DESCRIPTION:</b> RICHMOND, INC.					
Customer 29240 LUMINANT ENERGY					
58921	D	MMBtu	\$ .0000	03/01/2010	N
<b>DESCRIPTION:</b> ALVIN, INC.					
Customer 29240 LUMINANT ENERGY					

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20659**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>			
58926	D	MMBtu	\$.0000	05/01/2008	N			
<b>DESCRIPTION:</b> DEER PARK, INC.								
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">29240</td> <td style="width:70%">LUMINANT ENERGY</td> </tr> </table>						<b>Customer</b>	29240	LUMINANT ENERGY
<b>Customer</b>	29240	LUMINANT ENERGY						
58933	D	MMBtu	\$.0000	10/01/2010	N			
<b>DESCRIPTION:</b> STAFFORD, INC.								
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">29240</td> <td style="width:70%">LUMINANT ENERGY</td> </tr> </table>						<b>Customer</b>	29240	LUMINANT ENERGY
<b>Customer</b>	29240	LUMINANT ENERGY						
58935	D	MMBtu	\$.0000	01/01/2010	N			
<b>DESCRIPTION:</b> WEBSTER, INC.								
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">29240</td> <td style="width:70%">LUMINANT ENERGY</td> </tr> </table>						<b>Customer</b>	29240	LUMINANT ENERGY
<b>Customer</b>	29240	LUMINANT ENERGY						

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 20685**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 12/01/2008                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29391	CONSTELLATION	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 20685

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 20685**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20685

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 20685

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20685

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;"></td> <td style="width: 30%; text-align: center;">The Company Pays Shipper the</td> <td style="width: 30%; text-align: center;">Shipper Pays</td> <td style="width: 10%; text-align: center;">Overage</td> <td style="width: 10%; text-align: center;">Underage</td> </tr> <tr> <td></td> <td style="text-align: center;">the Company the Following</td> <td></td> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Following</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">From 5% to 10%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130%</td> </tr> <tr> <td style="text-align: center;">130%</td> <td style="text-align: center;">From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">140%</td> <td style="text-align: center;">Greater than 20%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">12.7.2</td> <td colspan="2">In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date </td> </tr> </table>		The Company Pays Shipper the	Shipper Pays	Overage	Underage		the Company the Following		Cash-Out Price	Following	Percentage of the Cash-Out Price	From 0% to 5%	100%	100%	From 5% to 10%	10%	80%	120%	70%	130%	130%	From 15% to 20%	60%	140%	Greater than 20%	50%	150%	12.7.2	In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. 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BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date																												



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20685

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 20685

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
48	D	MMBtu	\$ .0000	12/01/2008	N
<b>DESCRIPTION:</b> CARTHAGE, ENVIRONS					
Customer 29391                      CONSTELLATION					
234	D	MMBtu	\$ .0000	12/01/2008	N
<b>DESCRIPTION:</b> NACOGDOCHES, INC.					
Customer 29391                      CONSTELLATION					
42991	D	MMBtu	\$ .0000	05/01/2009	N
<b>DESCRIPTION:</b> HENDERSON, INC.					
Customer 29391                      CONSTELLATION					
43028	D	MMBtu	\$ .0000	12/01/2008	N
<b>DESCRIPTION:</b> TENAHA, ENVIRONS					
Customer 29391                      CONSTELLATION					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22129**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 05/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29240	LUMINANT ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22129

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service Begin Date: _____ End Date: _____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22129

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22129
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22129
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p> <p>Tnspt Terms T-76 B Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>



## GAS SERVICES DIVISION

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RATE COMP. IDDESCRIPTION

the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have



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**CURRENT RATE COMPONENT**

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	<p>the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>

Terms & Conditions

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22129**

**RATE ADJUSTMENT PROVISIONS:**

None

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**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	05/01/2009	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 29240 LUMINANT ENERGY					
150	D	MMBtu	\$ .0000	05/01/2009	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 29240 LUMINANT ENERGY					
194	D	MMBtu	\$ .0000	08/01/2010	N
<b>DESCRIPTION:</b> LA PORTE, INC.					
Customer 29240 LUMINANT ENERGY					
352	D	MMBtu	\$ .0000	12/01/2009	N
<b>DESCRIPTION:</b> TEXAS CITY, INC.					
Customer 29240 LUMINANT ENERGY					
55670	D	MMBtu	\$ .0000	05/01/2009	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 29240 LUMINANT ENERGY					
55673	D	MMBtu	\$ .0000	07/01/2012	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 29240 LUMINANT ENERGY					
58924	D	MMBtu	\$ .0000	07/01/2009	N
<b>DESCRIPTION:</b> CONROE, INC.					
Customer 29240 LUMINANT ENERGY					
58930	D	MMBtu	\$ .0000	07/01/2009	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 29240 LUMINANT ENERGY					
58933	D	MMBtu	\$ .0000	07/01/2011	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
Customer 29240 LUMINANT ENERGY					
66265	D	MMBtu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer 29240 LUMINANT ENERGY					

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**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
67773	D	MMBTu	\$.0000	05/01/2009	N
<b>DESCRIPTION:</b> LIVERPOOL, INC.					
Customer 29240 LUMINANT ENERGY					
68172	D	MMBTu	\$.0000	12/01/2012	N
<b>DESCRIPTION:</b> NASSAU BAY, INC.					
Customer 29240 LUMINANT ENERGY					
68836	D	MMBTu	\$.0000	05/01/2009	N
<b>DESCRIPTION:</b> BROOKSHIRE, ENVIRONS					
Customer 29240 LUMINANT ENERGY					
73134	D	MMBTu	\$.0000	12/01/2009	N
<b>DESCRIPTION:</b> SOUTH HOUSTON, INC.					
Customer 29240 LUMINANT ENERGY					
73140	D	MMBTu	\$.0000	10/01/2009	N
<b>DESCRIPTION:</b> KATY, INC.					
Customer 29240 LUMINANT ENERGY					
73144	D	MMBTu	\$.0000	10/01/2009	N
<b>DESCRIPTION:</b> BELLAIRE, INC.					
Customer 29240 LUMINANT ENERGY					
77072	D	MMBTu	\$.0000	12/01/2010	N
<b>DESCRIPTION:</b> SPRING VALLEY, INC.					
Customer 29240 LUMINANT ENERGY					
77075	D	MMBTu	\$.0000	06/01/2010	N
<b>DESCRIPTION:</b> ROSENBERG, INC.					
Customer 29240 LUMINANT ENERGY					
77972	D	MMBTu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> FREEPORT, INC.					
Customer 29240 LUMINANT ENERGY					
77973	D	MMBTu	\$.0000	07/01/2011	N
<b>DESCRIPTION:</b> CLUTE, INC.					
Customer 29240 LUMINANT ENERGY					

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**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
86375	D	MMBtu	\$.0000	08/01/2013	N
<b>DESCRIPTION:</b> MONT BELVIEU, ENVIRONS					
<b>Customer</b>	29240	LUMINANT ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22130**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 09/22/2014

**INITIAL SERVICE DATE:** 05/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effectiive 8-1-14: Add Delivery Point - Humble Inc to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29391	CONSTELLATION	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22130**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
Tnspt Terms T-76 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22130
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22130

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>
T-76	<p><b>AVAILABILITY</b> Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. <b>APPLICATION</b> This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. <b>DEFINITIONS</b> For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. <b>NET MONTHLY RATE</b> The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. <b>EQUIVALENT QUANTITY OF NATURAL GAS</b> The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. <b>PAYMENTS TO GOVERNMENTAL AUTHORITIES</b> In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. <b>OTHER CHARGES</b> Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22130

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Email Billing Address: _____ Shipper's Physical Business Address: _____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>Begin Date: _____ End Date: _____</p> <p>_____ Evergreen: Yes or No</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p> <p>_____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>Facility Information End-User Business Name: _____ End-User Dunn's Number: _____</p> <p>_____ End-User Physical Service (Business) Address: _____ End-User Facility Contact Name: _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>_____ Receipt Point(s): _____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____</p> <p>_____ Office Fax: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22130

CURRENT RATE COMPONENT

Table with columns RATE COMP. ID and DESCRIPTION. Includes fields for EXHIBIT A, TO TRANSPORTATION SERVICE AGREEMENT, OPERATIONAL NOTICES, and END-USER.

Tnspt Terms T-76 B

Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22130
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>







GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22130

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	07/01/2009	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 29391      CONSTELLATION					
150	D	MMBtu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 29391      CONSTELLATION					
55670	D	MMBtu	\$ .0000	01/01/2013	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 29391      CONSTELLATION					
58928	D	MMBtu	\$ .0000	08/01/2014	N
<b>DESCRIPTION:</b> HUMBLE, INC.					
Customer 29391      CONSTELLATION					
58930	D	MMBtu	\$ .0000	06/01/2011	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 29391      CONSTELLATION					
77977	D	MMBtu	\$ .0000	06/01/2011	N
<b>DESCRIPTION:</b> KATY, ENVIRONS					
Customer 29391      CONSTELLATION					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22196**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 06/16/2014

**INITIAL SERVICE DATE:** 06/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 5/1/14: Add Delivery Point - Carthage Inc to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22196
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</p> <p><b>11. FACILITIES</b></p> <p>11.1 For any Exhibit A effective prior to June 1, 2012:</p> <p>11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry.</p> <p>11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2 For any Exhibit A effective on or after June 1, 2012:</p> <p>11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point.</p> <p>11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point.</p> <p>11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.</p> <p>11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A:</p> <p>11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or</p> <p>11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month</p> <p>11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer.</p> <p>11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b></p> <p>12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply.</p> <p>12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical.</p> <p>12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances.</p> <p>12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply.</p> <p>12.5 Daily Imbalances During Critical Period Events</p> <p>12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers.</p> <p>12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22196

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																								
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Underage Imbalance Level Following Percentage of the Percentage of the Cash-</th> <th style="text-align: center;">The Company Pays Shipper the Following</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Overage Cash-Out Price</th> </tr> <tr> <th></th> <th></th> <th></th> <th style="text-align: center;">Out Price From 0% to 5%</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">150%</td> <td></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be</p>	Underage Imbalance Level Following Percentage of the Percentage of the Cash-	The Company Pays Shipper the Following	Shipper Pays the	Overage Cash-Out Price				Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	120% From 10%	to 15%				140% Greater than 20%	50%	130% From 15% to 20%	60%			150%	
Underage Imbalance Level Following Percentage of the Percentage of the Cash-	The Company Pays Shipper the Following	Shipper Pays the	Overage Cash-Out Price																						
			Out Price From 0% to 5%																						
100%	100% From 5% to 10%	80%	120% From 10%																						
to 15%																									
140% Greater than 20%	50%	130% From 15% to 20%	60%																						
		150%																							

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 22196

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY,

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012 Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22196

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	<p>seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____ Shipper's Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____ Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ E-Mail Address: _____</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____</p>

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	Other Notices Marketing Representative:
	Office Fax: _____ Office Telephone: _____
	Business E-Mail Address: _____ Business Mailing Address: _____
	Operational Notices Employee Name: _____ NOTICES TO END-USER Office
	Fax: _____ Office Telephone: _____
	Business E-Mail Address: _____
	All Other Notices Employee Name: _____ Office Fax: _____
	Office Telephone: _____
	Business E-Mail Address: _____ Business Mailing Address: _____
	INDEX FOR SHIPPER CASH-OUT
	CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable
	Daily Index: _____
	ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of
	End-User: _____ Date of Execution by End-User: _____

Tnspt Terms T-75 A

**CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75**

**1. APPLICABILITY** 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75

**2. DEFINITIONS** 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees,



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	<p>and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes</p>

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**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22196**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

Terms & Conditions

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22196**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22196**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
96	D	MMBtu	\$ .0000	06/01/2009	N
<b>DESCRIPTION:</b> EL CAMPO, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
155	D	MMBtu	\$ .0000	08/01/2009	N
<b>DESCRIPTION:</b> HUNTSVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
234	D	MMBtu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> NACOGDOCHES, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
34649	D	MMBtu	\$ .0000	04/01/2010	N
<b>DESCRIPTION:</b> MT. PLEASANT					
Customer 34371 CENTERPOINT ENERGY SERVICES					
359	D	MMBtu	\$ .0000	11/01/2010	N
<b>DESCRIPTION:</b> TYLER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42970	D	MMBtu	\$ .0000	08/01/2012	N
<b>DESCRIPTION:</b> BASTROP, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42975	D	MMBtu	\$ .0000	05/01/2014	N
<b>DESCRIPTION:</b> CARTHAGE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42977	D	MMBtu	\$ .0000	05/01/2011	N
<b>DESCRIPTION:</b> CENTER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42978	D	MMBtu	\$ .0000	12/02/0012	N
<b>DESCRIPTION:</b> CHEEK, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42981	D	MMBtu	\$ .0000	12/01/2012	N
<b>DESCRIPTION:</b> CLEVELAND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22196**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42987	D	MMBtu	\$.0000	10/01/2009	N
<b>DESCRIPTION:</b> DIBOLL, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42991	D	MMBtu	\$.0000	07/01/2010	N
<b>DESCRIPTION:</b> HENDERSON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42994	D	MMBtu	\$.0000	06/01/2012	N
<b>DESCRIPTION:</b> HUNTSVILLE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42997	D	MMBtu	\$.0000	11/01/2010	N
<b>DESCRIPTION:</b> JACKSONVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
42999	D	MMBtu	\$.0000	06/01/2010	N
<b>DESCRIPTION:</b> JASPER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43002	D	MMBtu	\$.0000	06/01/2004	N
<b>DESCRIPTION:</b> LAREDO, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43003	D	MMBtu	\$.0000	04/01/2011	N
<b>DESCRIPTION:</b> LAREDO, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43004	D	MMBtu	\$.0000	10/01/2012	N
<b>DESCRIPTION:</b> LATEXO, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43006	D	MMBtu	\$.0000	09/01/2010	N
<b>DESCRIPTION:</b> LONGVIEW, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43007	D	MMBtu	\$.0000	11/01/2010	N
<b>DESCRIPTION:</b> LONGVIEW, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22196**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
43009	D	MMBtu	\$ .0000	09/01/2010	N
<b>DESCRIPTION:</b> LUFKIN, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43011	D	MMBtu	\$ .0000	06/01/2011	N
<b>DESCRIPTION:</b> MARSHALL, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43013	D	MMBtu	\$ .0000	08/01/2012	N
<b>DESCRIPTION:</b> NEW BRAUNFELS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43014	D	MMBtu	\$ .0000	07/01/2012	N
<b>DESCRIPTION:</b> NEW BRAUNFELS, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43015	D	MMBtu	\$ .0000	03/01/2011	N
<b>DESCRIPTION:</b> ORANGE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43019	D	MMBtu	\$ .0000	08/01/2012	N
<b>DESCRIPTION:</b> SAN MARCOS, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43023	D	MMBtu	\$ .0000	08/01/2011	N
<b>DESCRIPTION:</b> SEGUIN, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43026	D	MMBtu	\$ .0000	08/01/2012	N
<b>DESCRIPTION:</b> SILSBEE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
23	D	MMBtu	\$ .0000	01/01/2009	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
60	D	MMBtu	\$ .0000	10/01/2013	N
<b>DESCRIPTION:</b> CLEVELAND, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22196**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
43027	D	MMBtu	\$ .0000	08/01/2012	N
<b>DESCRIPTION:</b> SILSBEE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43030	D	MMBtu	\$ .0000	07/01/2010	N
<b>DESCRIPTION:</b> TYLER, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43033	D	MMBtu	\$ .0000	05/01/2011	N
<b>DESCRIPTION:</b> VICTORIA, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55674	D	MMBtu	\$ .0000	09/01/2011	N
<b>DESCRIPTION:</b> EL CAMPO, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58920	D	MMBtu	\$ .0000	12/01/2013	N
<b>DESCRIPTION:</b> GILMER, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
58938	D	MMBtu	\$ .0000	04/01/2010	N
<b>DESCRIPTION:</b> MT. PLEASANT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
71798	D	MMBtu	\$ .0000	06/01/2009	N
<b>DESCRIPTION:</b> KILGORE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
71799	D	MMBtu	\$ .0000	09/01/2009	N
<b>DESCRIPTION:</b> WEST ORANGE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73133	D	MMBtu	\$ .0000	08/01/2012	N
<b>DESCRIPTION:</b> ALICE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73138	D	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> LA GRANGE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22196**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
73139	D	MMBTu	\$ .0000	06/01/2010	N
<b>DESCRIPTION:</b> EAGLE LAKE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77066	D	MMBTu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> CROCKETT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77068	D	MMBTu	\$ .0000	11/01/2010	N
<b>DESCRIPTION:</b> GANADO, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77070	D	MMBTu	\$ .0000	01/01/2010	N
<b>DESCRIPTION:</b> JOURDANTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77071	D	MMBTu	\$ .0000	09/01/2010	N
<b>DESCRIPTION:</b> PLEASANTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77076	D	MMBTu	\$ .0000	08/01/2010	N
<b>DESCRIPTION:</b> ATLANTA, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77125	D	MMBTu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> VIDOR, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77126	D	MMBTu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> TROUP, ENV					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77968	D	MMBTu	\$ .0000	05/01/2011	N
<b>DESCRIPTION:</b> GILMER, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77969	D	MMBTu	\$ .0000	04/01/2011	N
<b>DESCRIPTION:</b> KILGORE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22196**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
77970	D	MMBtu	\$.0000	07/01/2011	N
<b>DESCRIPTION:</b> MINEOLA, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77971	D	MMBtu	\$.0000	08/01/2011	N
<b>DESCRIPTION:</b> NAPLES, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
78512	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> SCHERTZ, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
78513	D	MMBtu	\$.0000	11/01/2011	N
<b>DESCRIPTION:</b> HAWKINS, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
78665	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> OVERTON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
78742	D	MMBtu	\$.0000	02/01/2014	N
<b>DESCRIPTION:</b> FLORESVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
78743	D	MMBtu	\$.0000	02/01/2013	N
<b>DESCRIPTION:</b> KYLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
78921	D	MMBtu	\$.0000	01/01/2012	N
<b>DESCRIPTION:</b> PITTSBURG, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
80459	D	MMBtu	\$.0000	07/01/2012	N
<b>DESCRIPTION:</b> JEFFERSON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
80630	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> PORTLAND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22196**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
80631	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> ROSE HILL ACRES, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
80632	D	MMBtu	\$.0000	09/01/2012	N
<b>DESCRIPTION:</b> LIBERTY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
85256	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> JEFFERSON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
86374	D	MMBtu	\$.0000	08/01/2013	N
<b>DESCRIPTION:</b> BRIDGE CITY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
86488	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> SARATOGA, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
86489	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> TALCO, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
86535	D	MMBtu	\$.0000	11/01/2013	N
<b>DESCRIPTION:</b> EVADALE, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22197**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 09/23/2014

**INITIAL SERVICE DATE:** 05/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 8/1/14: Add Delivery Point Morgan's Point Inc and Pasadena Env to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22197
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 B	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>11. FACILITIES</b></p> <p>11.1 For any Exhibit A effective prior to June 1, 2012:</p> <p>11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry.</p> <p>11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2 For any Exhibit A effective on or after June 1, 2012:</p> <p>11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point.</p> <p>11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point.</p> <p>11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.</p> <p>11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A:</p> <p>11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or</p> <p>11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month</p> <p>11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer.</p> <p>11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b></p> <p>12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply.</p> <p>12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical.</p> <p>12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances.</p> <p>12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply.</p> <p>12.5 Daily Imbalances During Critical Period Events</p> <p>12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers.</p> <p>12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 22197

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																					
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%;"></td> </tr> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment,</p>		Overage		Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-		Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	120% From 10% to 15%	70%	130% From 15% to 20%	140% Greater than 20%	50%	150%
	Overage																					
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22197

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22197
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22197

CURRENT RATE COMPONENT

RATE COMP. ID

DESCRIPTION

would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 1 of 2

SHIPPER INFORMATION Name of Shipper:

Shipper's Dunn's

Number:

Shipper's Physical Business Address:

Shipper's Email Billing Address:

Note: Bills are rendered via E-mail and are due and payable

when E-mail is sent by Company. Shipper's Business Email Address:

GENERAL INFORMATION Term of Service

Begin Date:

End Date:

Evergreen: Yes or No

Period of Evergreen: 1 Year, 2 Years, etc.

Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic

renewal through the evergreen mechanism. Rate Schedule:

End-User

Facility Information End-User Business Name:

End-User Dunn's Number:

End-User Physical

Service (Business) Address:

End-User Facility Contact

for Operating Information and Emergency Notices Name:

Office Telephone:

Office Fax:

E-Mail Address:

Delivery Information Number of Meters Receiving Transportation Service:

Delivery Point(s):

Receipt Point(s):

Quantities: MDQ (in MMBtu/day)

Upstream Pipeline Contact for Confirmations Name:

Office Telephone:

Office

Fax:

E-Mail Address:

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 2 of 2

NOTICES TO SHIPPER

Operational Notices Supply Coordinator:

Office Fax:

Office Telephone:

Business E-Mail Address:



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22197

CURRENT RATE COMPONENT

Table with columns: RATE COMP. ID, DESCRIPTION. Includes sections for Marketing Representative, Operational Notices Employee Name, All Other Notices Employee Name, INDEX FOR SHIPPER CASH-OUT, CALCULATIONS, and ACKNOWLEDGEMENTS.

Tnspt Terms T-76 A

CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad

GAS SERVICES DIVISION

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<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22197
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22197
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<b>RATE ADJUSTMENT PROVISIONS:</b>
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None
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GAS SERVICES DIVISION

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**TARIFF CODE: DT                      RRC TARIFF NO: 22197**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
150	D	MMBtu	\$ .0000	05/01/2009	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
194	D	MMBtu	\$ .0000	08/01/2009	N
<b>DESCRIPTION:</b> LA PORTE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
202	D	MMBtu	\$ .0185	06/01/2013	N
<b>DESCRIPTION:</b> LEAGUE CITY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
288	D	MMBtu	\$ .0000	08/01/2011	N
<b>DESCRIPTION:</b> RICHMOND, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
352	D	MMBtu	\$ .0000	08/01/2011	N
<b>DESCRIPTION:</b> TEXAS CITY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
10	D	MMBtu	\$ .0000	05/01/2013	N
<b>DESCRIPTION:</b> ANGLETON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
149	D	MMBtu	\$ .0000	05/01/2009	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55670	D	MMBtu	\$ .0000	11/01/2010	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55672	D	MMBtu	\$ .0000	06/01/2011	N
<b>DESCRIPTION:</b> DICKINSON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
55673	D	MMBtu	\$ .0000	05/01/2010	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

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**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
55678	D	MMBtu	\$.0000	07/01/2009	N
<b>DESCRIPTION:</b> LA PORTE, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
55679	D	MMBTU	\$.0000	08/01/2014	N
<b>DESCRIPTION:</b> PASADENA, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
55680	D	MMBTU	\$.0000	07/01/2012	N
<b>DESCRIPTION:</b> SANTA FE, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58921	D	MMBtu	\$.0000	07/01/2013	N
<b>DESCRIPTION:</b> ALVIN, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58924	D	MMBtu	\$.0000	10/01/2009	N
<b>DESCRIPTION:</b> CONROE, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58925	D	MMBtu	\$.0000	04/01/2005	N
<b>DESCRIPTION:</b> CROSBY, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58926	D	MMBtu	\$.0000	12/01/2009	N
<b>DESCRIPTION:</b> DEER PARK, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58928	D	MMBtu	\$.0000	07/01/2009	N
<b>DESCRIPTION:</b> HUMBLE, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58929	D	MMBtu	\$.0000	11/01/2009	N
<b>DESCRIPTION:</b> MONTGOMERY COUNTY, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58930	D	MMBtu	\$.0000	07/01/2009	N
<b>DESCRIPTION:</b> PASADENA, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					

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**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
58932	D	MMBtu	\$.0000	08/01/2011	N
<b>DESCRIPTION:</b> SHENANDOAH, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58933	D	MMBtu	\$.0000	01/01/2011	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58935	D	MMBtu	\$.0000	03/01/2011	N
<b>DESCRIPTION:</b> WEBSTER, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
58936	D	MMBtu	\$.0000	10/01/2009	N
<b>DESCRIPTION:</b> WOODLANDS, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
62665	D	MMBtu	\$.0000	07/01/2010	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
62667	D	MMBtu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> WHARTON, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
67772	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> LAKE JACKSON, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
68172	D	MMBtu	\$.0000	11/01/2012	N
<b>DESCRIPTION:</b> NASSAU BAY, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
68835	D	MMBtu	\$.0000	11/01/2010	N
<b>DESCRIPTION:</b> FREEPORT, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
68836	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> BROOKSHIRE, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					

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**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
68837	D	MMBtu	\$ .0000	11/01/2010	N
<b>DESCRIPTION:</b> ANGLETON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
68838	D	MMBtu	\$ .0000	12/01/2011	N
<b>DESCRIPTION:</b> BARRETT'S SETTLEMENT, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
71800	D	MMBtu	\$ .0000	09/01/2009	N
<b>DESCRIPTION:</b> HEDWIG VILLAGE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73134	D	MMBtu	\$ .0000	03/01/2011	N
<b>DESCRIPTION:</b> SOUTH HOUSTON, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73136	D	MMBtu	\$ .0000	08/01/2010	N
<b>DESCRIPTION:</b> SANTA FE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73137	D	MMBtu	\$ .0000	08/01/2011	N
<b>DESCRIPTION:</b> SUGAR LAND, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73139	D	MMBtu	\$ .0000	11/01/2009	N
<b>DESCRIPTION:</b> EAGLE LAKE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73140	D	MMBtu	\$ .0000	11/01/2010	N
<b>DESCRIPTION:</b> KATY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73142	D	MMBtu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> GALENA PARK, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
73144	D	MMBtu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> BELLAIRE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22197**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
73145	D	MMBTu	\$ .0000	08/01/2012	N
<b>DESCRIPTION:</b> CROSBY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77072	D	MMBTu	\$ .0000	12/01/2012	N
<b>DESCRIPTION:</b> SPRING VALLEY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77073	D	MMBTu	\$ .0000	07/01/2010	N
<b>DESCRIPTION:</b> PEARLAND, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77074	D	MMBTu	\$ .0000	07/01/2010	N
<b>DESCRIPTION:</b> NEW WAVERLY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77075	D	MMBTu	\$ .0000	07/01/2013	N
<b>DESCRIPTION:</b> ROSENBERG, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77967	D	MMBTu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> MISSOURI CITY, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77972	D	MMBTu	\$ .0000	09/01/2012	N
<b>DESCRIPTION:</b> FREEPORT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77973	D	MMBTu	\$ .0000	02/01/2011	N
<b>DESCRIPTION:</b> CLUTE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77974	D	MMBTu	\$ .0000	05/01/2011	N
<b>DESCRIPTION:</b> DICKINSON, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
77975	D	MMBTu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> FRIENDSWOOD, ENVIRONS					
Customer 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22197**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
77977	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> KATY, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
77981	D	MMBtu	\$.0000	06/01/2011	N
<b>DESCRIPTION:</b> SEABROOK, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
77983	D	MMBtu	\$.0000	01/01/2011	N
<b>DESCRIPTION:</b> JERSEY VILLAGE, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
78248	D	MMBtu	\$.0000	09/01/2011	N
<b>DESCRIPTION:</b> PORTER, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
78744	D	MMBtu	\$.0000	01/01/2012	N
<b>DESCRIPTION:</b> FRIENDSWOOD, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
78920	D	MMBtu	\$.0000	01/01/2012	N
<b>DESCRIPTION:</b> MONT BELVIEU, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
79037	D	MMBtu	\$.0000	02/01/2012	N
<b>DESCRIPTION:</b> NEW CANEY, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
80624	D	MMBtu	\$.0000	12/01/2012	N
<b>DESCRIPTION:</b> PECAN GROVE, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
80625	D	MMBtu	\$.0000	09/01/2012	N
<b>DESCRIPTION:</b> KEMAH, INC.					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					
80626	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> PEARLAND, ENVIRONS					
<b>Customer</b> 34371 CENTERPOINT ENERGY SERVICES					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22197**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
80627	D	MMBtu	\$.0000	07/01/2012	N
<b>DESCRIPTION:</b> SPRING, ENVIROINS					
Customer 34371 CENTERPOINT ENERGY SERVICES					
80629	D	MMBtu	\$.0000	09/01/2012	N
<b>DESCRIPTION:</b> WILLIS, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
85546	D	MMBtu	\$.0000	12/01/2012	N
<b>DESCRIPTION:</b> EL LAGO, INC					
Customer 34371 CENTERPOINT ENERGY SERVICES					
85938	D	MMBtu	\$.0000	03/01/2013	N
<b>DESCRIPTION:</b> BUNKER HILL VILLAGE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
88009	D	MMBtu	\$.0000	08/01/2014	N
<b>DESCRIPTION:</b> MORGAN'S POINT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22567**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 12/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22567

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22567

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22567
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
T-69 Rider 1	<p><b>AVAILABILITY AND APPLICATION</b> This Rider is available in the areas identified in Company's Texas Rate Book to any new or existing Shipper of CenterPoint Energy Entex ("Company") who executes or amends a Transportation Service Agreement on or before November 1, 2009, for service under Rate Schedule No. T-69. This rider only applies to transportation service to an End-use customer at a single Delivery Point where the End-use customer will receive, in Company's best estimate, 7,000 MMBtu or more of natural gas daily. This Rider will expire and shall not be available or applicable to any transportation service provided by Company on and after August 31, 2014. <b>NET MONTHLY RATE</b> Under this rider, the Net Monthly Rate per MMBtu for all gas transported in a month shall be the sum of: (i) \$0.05 per MMBtu; plus (ii) Payments To Governmental Authorities, as defined in Rate Schedule No. T-69, and Company's General Terms and Conditions for Transportation Service. <b>GENERAL TERMS AND CONDITIONS</b> Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>
Tnspt Terms T-69 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 22567

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22567
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
Tnspt Terms T-69 B	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the</p>

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**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22567**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																																			
	<p>beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level</th> <th style="text-align: center;">The Company Pays Shipper the</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Overage</th> <th style="text-align: center;">Underage</th> </tr> <tr> <th style="text-align: left;">Percentage of the Cash-</th> <th style="text-align: center;">Company the Following</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Cash-Out Price</th> <th style="text-align: center;">Following</th> </tr> <tr> <th style="text-align: left;">the Cash-</th> <th style="text-align: center;">Company the Following</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Out Price From 0% to 5%</th> <th style="text-align: center;">Percentage of</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">100%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120%</td> </tr> <tr> <td style="text-align: left;">15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">From 10% to</td> </tr> <tr> <td style="text-align: left;">140%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">12.7.2</td> <td style="text-align: center;">In the event of an Overage, the Cash Out</td> </tr> <tr> <td style="text-align: left;">Greater than 20%</td> <td></td> <td></td> <td></td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index</td> </tr> </tbody> </table> <p>plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage	Underage	Percentage of the Cash-	Company the Following	Shipper Pays the	Cash-Out Price	Following	the Cash-	Company the Following	Shipper Pays the	Out Price From 0% to 5%	Percentage of	100%	100%	From 5% to 10%	80%	120%	15%	70%	From 15% to 20%	60%	From 10% to	140%	50%	150%	12.7.2	In the event of an Overage, the Cash Out	Greater than 20%				Price shall be the Cash-out Index specified in the Agreement. 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GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

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	<p>Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22567

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms & Conditions Replaces Revised T-69      Effective 06-01-2012      Terms & Conditions

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	12/01/2009	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22572**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 11/10/2014

**INITIAL SERVICE DATE:** 09/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective10/1/14: Add Deilivery Point - Jacksonville Inc to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29240	LUMINANT ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22572

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-75 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22572
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall</p>



GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

RRC COID: 6263	COMPANY NAME: CENTERPOINT ENERGY ENTEX
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TARIFF CODE: DT	RRC TARIFF NO: 22572
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CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 22572

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22572**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																		
	<p>nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0"> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> </table> <p>Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination of all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a</p>	Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-		Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	to 15%	50%	120% From 10%	140% Greater than 20%	130% From 15% to 20%	60%
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the																	
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22572
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22572

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p><b>APPLICATION</b> This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p><b>DEFINITIONS</b> For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p><b>NET MONTHLY RATE</b> The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p><b>EQUIVALENT QUANTITY OF NATURAL GAS</b> The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p><b>PAYMENTS TO GOVERNMENTAL AUTHORITIES</b> In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p><b>OTHER CHARGES</b> Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p><b>BILLING AND PAYMENT</b> Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p><b>NATURAL GAS ACT</b> Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p><b>WRITTEN SERVICE AGREEMENT</b> Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p><b>CURTAILMENT</b> In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p><b>MEASUREMENT</b> The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p><b>GENERAL TERMS AND CONDITIONS</b> Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;"><b>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</b></p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">Begin Date: _____ GENERAL INFORMATION Term of Service _____</p> <p style="text-align: center;">_____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No _____</p> <p style="text-align: center;">Period of Evergreen: 1 Year, 2 Years, etc. _____</p> <p style="text-align: center;">_____</p>

Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22572

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ End-User</p> <p>Facility Information End-User Business Name: _____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office</p> <p>Fax: _____ E-Mail Address: _____</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of</p> <p>End-User: _____ Date of Execution by End-User: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22572**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22572**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42997	D	MMBtu	\$ .0000	10/01/2014	N
<b>DESCRIPTION:</b> JACKSONVILLE, INC.					
Customer 29240 LUMINANT ENERGY					
43015	D	MMBtu	\$ .0000	05/01/2010	N
<b>DESCRIPTION:</b> ORANGE, INC.					
Customer 29240 LUMINANT ENERGY					
23	D	MMBtu	\$ .0000	09/01/2009	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 29240 LUMINANT ENERGY					
43033	D	MMBtu	\$ .0000	11/01/2009	N
<b>DESCRIPTION:</b> VICTORIA, INC.					
Customer 29240 LUMINANT ENERGY					
183	D	MMBtu	\$ .0032	01/01/2010	N
<b>DESCRIPTION:</b> KINGSVILLE, INC.					
Customer 29240 LUMINANT ENERGY					
55674	D	MMBtu	\$ .0000	03/01/2012	N
<b>DESCRIPTION:</b> EL CAMPO, INC.					
Customer 29240 LUMINANT ENERGY					
73133	D	MMBtu	\$ .0000	12/01/2009	N
<b>DESCRIPTION:</b> ALICE, INC.					
Customer 29240 LUMINANT ENERGY					
77069	D	MMBtu	\$ .0000	01/01/2010	N
<b>DESCRIPTION:</b> BEEVILLE, INC.					
Customer 29240 LUMINANT ENERGY					
77077	D	MMBtu	\$ .0000	05/01/2010	N
<b>DESCRIPTION:</b> LUMBERTON, INC.					
Customer 29240 LUMINANT ENERGY					
77965	D	MMBtu	\$ .0000	03/01/2011	N
<b>DESCRIPTION:</b> PORT LAVACA, INC.					
Customer 29240 LUMINANT ENERGY					



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22572**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
77982	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> LUMBERTON, ENVIRONS					
Customer      29240                      LUMINANT ENERGY					
80628	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> PALACIOS, ENVIRONS					
Customer      29240                      LUMINANT ENERGY					
234	D	MMBtu	\$.0000	11/01/2011	N
<b>DESCRIPTION:</b> NACOGDOCHES, INC.					
Customer      29240                      LUMINANT ENERGY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22573**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 10/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24864	TGLO	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22573

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-72	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22573

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____</p> <p>_____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____</p> <p>_____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22573

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-72 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22573
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of</p>

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	<p>days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72      Effective 06-01-2012 Terms &amp; Conditions</p>
<p>Tnspt Terms T-72 B</p>	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>

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	<p>chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be</p>



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	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 609 487 703">Imbalance Level Percentage of the Cash-</th> <th data-bbox="487 609 893 703">The Company Pays Shipper the Company the Following</th> <th data-bbox="893 609 1218 703">Shipper Pays the Cash-Out Price</th> <th data-bbox="1218 609 1502 703">Overage Underage Following Percentage of the</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 703 487 745">100%</td> <td data-bbox="487 703 893 745">100% From 5% to 10%</td> <td data-bbox="893 703 1218 745">80%</td> <td data-bbox="1218 703 1502 745">120% From 10% to 15%</td> </tr> <tr> <td data-bbox="284 745 487 787">140% Greater than 20%</td> <td data-bbox="487 745 893 787">70%</td> <td data-bbox="893 745 1218 787">130% From 15% to 20%</td> <td data-bbox="1218 745 1502 787">60%</td> </tr> <tr> <td data-bbox="284 787 487 829"></td> <td data-bbox="487 787 893 829">50%</td> <td data-bbox="893 787 1218 829">150%</td> <td data-bbox="1218 787 1502 829">12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. 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Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. 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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22573
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012 Terms &amp; Conditions</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22573**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
288	D	MMBtu	\$.0000	10/01/2009	N
<b>DESCRIPTION:</b> RICHMOND, ENVIRONS					
Customer 24864 TGLO					
58935	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> WEBSTER, INC.					
Customer 24864 TGLO					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22574**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 10/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24864	TGLO	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22574

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's</p> <p>Number: _____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: right;">Note: Bills are rendered via E-mail and are due and payable</p> <p>when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22574

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22574**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-75 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

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TARIFF CODE: DT

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## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in



GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012      Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22574
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th>Underage Imbalance Level</th> <th>The Company Pays Shipper the Following Percentage of the Cash-</th> <th>Shipper Pays the Company the Following</th> <th>Cash-Out Price</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>From 5% to 10%</td> <td>80%</td> </tr> <tr> <td>70%</td> <td>140%</td> <td>From 15% to 20%</td> <td>60%</td> </tr> <tr> <td>50%</td> <td>Greater than 20%</td> <td>150%</td> <td>120%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>	Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Company the Following	Cash-Out Price	100%	100%	From 5% to 10%	80%	70%	140%	From 15% to 20%	60%	50%	Greater than 20%	150%	120%
Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Company the Following	Cash-Out Price														
100%	100%	From 5% to 10%	80%														
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 22574

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22574

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
85721	D	MMBtu	\$ .0000	02/01/2013	N
<b>DESCRIPTION:</b> BUNA, ENVIRONS					
<b>Customer</b> 24864 TGLO					
216	D	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> LUFKIN, ENVIRONS					
<b>Customer</b> 24864 TGLO					
252	D	MMBtu	\$ .0000	05/01/2011	N
<b>DESCRIPTION:</b> ORANGE, ENVIRONS					
<b>Customer</b> 24864 TGLO					
302	I	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> RUSK, INC.					
<b>Customer</b> 24864 TGLO					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22575**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 10/02/2014

**INITIAL SERVICE DATE:** 10/01/2009                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 9/1/14: Add Delivery Point - Texas City Inc to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24864	TGLO	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22575
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22575
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 22575

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
<p>Tnspt Terms T-76 B</p>	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 22575

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																		
	<p>nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0"> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>	Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-		Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	120% From 10% to 15%	70%	130% From 15% to 20%	140% Greater than 20%	50%	150%
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the																	
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 22575
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 22575

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Physical Business Address: _____</p> <p>Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p>Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 22575

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical Service (Business) Address: _____</p> <p>End-User Facility Contact for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____</p> <p>Applicable Index Adder or WACOG: _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____</p> <p>Date of Execution by Shipper: _____</p> <p>Signature of End-User: _____</p> <p>Date of Execution by End-User: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22575**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 22575**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	01/01/2012	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer      24864                      TGLO					
202	D	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> LEAGUE CITY, INC.					
Customer      24864                      TGLO					
150	D	MMBtu	\$ .0000	04/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer      24864                      TGLO					
352	D	MMBtu	\$ .0000	09/01/2014	N
<b>DESCRIPTION:</b> TEXAS CITY, INC.					
Customer      24864                      TGLO					
55673	D	MMBtu	\$ .0000	05/01/2013	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer      24864                      TGLO					
58928	D	MMBtu	\$ .0000	07/01/2014	N
<b>DESCRIPTION:</b> HUMBLE, INC.					
Customer      24864                      TGLO					
58933	D	MMBtu	\$ .0000	11/01/2013	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
Customer      24864                      TGLO					
58936	D	MMBtu	\$ .0000	01/01/2012	N
<b>DESCRIPTION:</b> WOODLANDS, ENVIRONS					
Customer      24864                      TGLO					
66265	D	MMBtu	\$ .0000	05/01/2013	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer      24864                      TGLO					
67772	D	MMBtu	\$ .0000	10/01/2009	N
<b>DESCRIPTION:</b> LAKE JACKSON, INC.					
Customer      24864                      TGLO					



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 22575**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
73135	D	MMBtu	\$ .0000	05/01/2013	N
<b>DESCRIPTION:</b> HIGHLANDS, ENVIRONS					
Customer 24864 TGLO					
73140		MMBtu	\$ .0000	08/01/2013	N
<b>DESCRIPTION:</b> KATY, INC.					
Customer 24864 TGLO					
77075	D	MMBTu	\$ .0000	05/01/2014	N
<b>DESCRIPTION:</b> ROSENBERG, INC.					
Customer 24864 TGLO					
77977	D	MMBtu	\$ .0000	08/01/2013	N
<b>DESCRIPTION:</b> KATY, ENVIRONS					
Customer 24864 TGLO					
77983	D	MMBtu	\$ .0000	10/01/2013	N
<b>DESCRIPTION:</b> JERSEY VILLAGE, INC.					
Customer 24864 TGLO					
80624	D	MMBtu	\$ .0000	05/01/2014	N
<b>DESCRIPTION:</b> PECAN GROVE, ENVIRONS					
Customer 24864 TGLO					
87308	D	MMBtu	\$ .0000	05/01/2014	N
<b>DESCRIPTION:</b> ROSENBERG, ENVIRONS					
Customer 24864 TGLO					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23274**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 10/01/2010                      **RECEIVED DATE:** 10/02/2014

**INITIAL SERVICE DATE:**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 9/1/14: Add Delivery Point - Conroe Inc to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
31483	COKINOS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23274
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper</p>

GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23274

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
<p>Tnspt Terms T-76 B</p>	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23274

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23274

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																					
	<p>nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%;"></td> </tr> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>		Overage		Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-		Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	120% From 10% to 15%	70%	130% From 15% to 20%	140% Greater than 20%	50%	150%
	Overage																					
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the																				
Following Percentage of the	Company the Following	Cash-Out Price																				
Percentage of the Cash-		Out Price From 0% to 5%																				
100%	100% From 5% to 10%	80%																				
120% From 10% to 15%	70%	130% From 15% to 20%																				
140% Greater than 20%	50%	150%																				

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23274

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23274

CURRENT RATE COMPONENT

RATE COMP. ID DESCRIPTION

T-76 AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT SHIPPER INFORMATION Name of Shipper: Shipper's Dunn's

Number: Shipper's Physical Business Address: Shipper's Email Billing Address: Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. Shipper's Business Email Address: GENERAL INFORMATION Term of Service Begin Date: End Date: Evergreen: Yes or No Period of Evergreen: 1 Year, 2 Years, etc.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23274

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical Service (Business) Address: _____</p> <p>End-User Facility Contact for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____</p> <p>Applicable Index Adder or WACOG: _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____</p> <p>Date of Execution by Shipper: _____</p> <p>Signature of End-User: _____</p> <p>Date of Execution by End-User: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23274**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23274**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
194	D	MMBtu	\$.0000	08/01/2014	N
<b>DESCRIPTION:</b> LA PORTE, INC.					
Customer 31483 COKINOS					
55670	D	MMBtu	\$.0000	06/01/2011	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 31483 COKINOS					
55673	D	MMBtu	\$.0000	12/01/2010	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 31483 COKINOS					
58924	D	MMBtu	\$.0000	09/01/2014	N
<b>DESCRIPTION:</b> CONROE, INC.					
Customer 31483 COKINOS					
58928	D	MMBtu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> HUMBLE, INC.					
Customer 31483 COKINOS					
58930	D	MMBtu	\$.0000	07/01/2013	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 31483 COKINOS					
58936	D	MMBtu	\$.0000	06/01/2011	N
<b>DESCRIPTION:</b> WOODLANDS, ENVIRONS					
Customer 31483 COKINOS					
66265	D	MMBtu	\$.0000	05/01/2013	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer 31483 COKINOS					
68172	D	MMBtu	\$.0000	03/01/2011	N
<b>DESCRIPTION:</b> NASSAU BAY, INC.					
Customer 31483 COKINOS					
73134	D	MMBtu	\$.0000	02/01/2011	N
<b>DESCRIPTION:</b> SOUTH HOUSTON, INC.					
Customer 31483 COKINOS					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23274**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
77073	D	MMBTu	\$ .0000	07/01/2010	N
<b>DESCRIPTION:</b> PEARLAND, INC.					
Customer 31483 COKINOS					
77075	D	MMBTu	\$ .0000	12/01/2013	N
<b>DESCRIPTION:</b> ROSENBERG, INC.					
Customer 31483 COKINOS					
78920	D	MMBTu	\$ .0000	08/01/2010	N
<b>DESCRIPTION:</b> MONT BELVIEU, INC.					
Customer 31483 COKINOS					
80626	D	MMBTu	\$ .0000	08/01/2013	N
<b>DESCRIPTION:</b> PEARLAND, ENVIRONS					
Customer 31483 COKINOS					
85417	D	MMBTu	\$ .0000	11/01/2012	N
<b>DESCRIPTION:</b> PINEY POINT VILLAGE, INC.					
Customer 31483 COKINOS					
86375	D	MMBTu	\$ .0000	10/01/2013	N
<b>DESCRIPTION:</b> MONT BELVIEU, ENVIRONS					
Customer 31483 COKINOS					
149	D	MMBTu	\$ .0000	08/01/2010	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 31483 COKINOS					
150	D	MMBTu	\$ .0000	02/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 31483 COKINOS					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23274**

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23277**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 10/01/2010                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23277

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____ Shipper's Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p style="text-align: right;">Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____ Evergreen: Yes or No</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23277

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23277
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
T-65-Rider 3-3	<p><b>AVAILABILITY AND APPLICATION</b> This Rider is available in the areas identified in Company's Texas Rate Book to any new or existing Shipper of CenterPoint Energy Entex ("Company") who executes or amends a Transportation Service Agreement on or before November 30, 2010, for service under Rate Schedule No. T-65. This rider only applies to transportation service to an End-use customer at a single Delivery Point where the End-use customer will receive, in Company's best estimate, 200,000 MMBtu's or more of natural gas annually. Until cancelled, this Rider will renew annually on October 31 of each year after 2010. <b>NET MONTHLY RATE</b> Under this rider, the Net Monthly Rate per MMBtu for all gas transported in a month shall be the sum of: (i) \$0.06 per MMBtu; plus (ii) Payments To Governmental Authorities, as defined in Rate Schedule No. T-65 and Company's General Terms and Conditions for Transportation Service. <b>GENERAL TERMS AND CONDITIONS</b> Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>
Tnspt Terms T-65 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation</p>

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Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND

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	<p>NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65                      Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry</p>

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	<p>and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the</p>

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<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																														
	<p>Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level</th> <th style="text-align: left;">The Company Pays Shipper the</th> <th style="text-align: left;">Shipper Pays</th> <th style="text-align: left;">Overage</th> <th style="text-align: left;">Underage</th> </tr> <tr> <th style="text-align: left;">Percentage of the</th> <th style="text-align: left;">Company the Following</th> <th style="text-align: left;">Cash-Out Price</th> <th style="text-align: left;">Cash-Out Price</th> <th style="text-align: left;">Following</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">Percentage of the Cash-Out Price</td> <td style="text-align: left;">From 0% to 5%</td> <td style="text-align: left;">100%</td> <td style="text-align: left;">100%</td> <td style="text-align: left;">From 5% to 10%</td> </tr> <tr> <td style="text-align: left;">10%</td> <td style="text-align: left;">80%</td> <td style="text-align: left;">120%</td> <td style="text-align: left;">From 10% to 15%</td> <td style="text-align: left;">70%</td> </tr> <tr> <td style="text-align: left;">130%</td> <td style="text-align: left;">From 15% to 20%</td> <td style="text-align: left;">60%</td> <td style="text-align: left;">140%</td> <td style="text-align: left;">Greater than 20%</td> </tr> <tr> <td style="text-align: left;">50%</td> <td style="text-align: left;">150%</td> <td colspan="3"></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Overage	Underage	Percentage of the	Company the Following	Cash-Out Price	Cash-Out Price	Following	Percentage of the Cash-Out Price	From 0% to 5%	100%	100%	From 5% to 10%	10%	80%	120%	From 10% to 15%	70%	130%	From 15% to 20%	60%	140%	Greater than 20%	50%	150%			
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23277
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair;</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23277**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms & Conditions Replaces Revised T-65 Effective 06-01-2012 Terms & Conditions

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>			
42978	D	MMBtu	\$.0000	06/01/2004	N			
<b>DESCRIPTION:</b> CHEEK, ENVIRONS								
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">34371</td> <td style="width:70%">CENTERPOINT ENERGY SERVICES</td> </tr> </table>						<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES						

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23566**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 12/01/2010                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24864	TGLO	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23566
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-85	<p><b>AVAILABILITY</b> Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p><b>APPLICATION</b> This Rate Schedule is applicable to gas transportation service, where (a) a written Transportation Service Agreement and Exhibit A (hereinafter Agreement) have been executed between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point or Delivery Points, as defined in the contract contemplated hereby, on the campus of a state-owned entity that is eligible to purchase State Royalty Gas; and (d) Company does not take title to or own the gas so transported.</p> <p><b>DEFINITIONS</b> For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p><b>NET MONTHLY RATE</b> The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) a monthly service charge of \$500.00 per campus; plus (ii) a monthly meter charge of \$35.00 per meter for each meter that is not monitored with telemetering equipment; plus (iii) a rate per MMBtu per campus for all gas transported to the facilities of an End-user Customer at the campus during a billing period equal to the sum of: First 3,000 MMBtu @ \$0.50 per MMBtu Next 3,000 MMBtu @ \$0.25 per MMBtu Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p><b>EQUIVALENT QUANTITY OF NATURAL GAS</b> The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p><b>PAYMENTS TO GOVERNMENTAL AUTHORITIES</b> In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p><b>OTHER CHARGES</b> Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p><b>BILLING AND PAYMENT</b> Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p><b>NATURAL GAS ACT</b> Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p><b>WRITTEN SERVICE AGREEMENT</b> Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p><b>CURTAILMENT</b> In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p><b>MEASUREMENT</b> The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p><b>GENERAL TERMS AND CONDITIONS</b> Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-85</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-85</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British</p>

Tnspt Terms T-85 A

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23566
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) the campus or campuses of a state-owned entity that is eligible to purchase state royalty gas where all facilities are situated in close geographic proximity and served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of the largest campus will be, based on Company's best estimate, a minimum of 50 Mcf per day; (d) where the actual consumption of any other campus will be, based on Company's best estimate, a minimum of 25 Mcf per day; and (e) the natural gas redelivered is for ultimate consumption at such campus or campuses and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23566

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such</p>

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	<p>service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Revised T-85 Terms &amp; Conditions Replaces Original T-85 Effective 06-01-2012</p>
<p>Tnspt Terms T-85 B</p>	<p>Continuation from Tnspt Terms T-85 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-85 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

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schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable

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<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																											
	<p>share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Following Percentage of the Cash-</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to 15%</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> <tr> <td style="text-align: center;">150%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">50%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	the	Company the Following	Cash-Out Price			Following Percentage of the Cash-			100%	100% From 5% to 10%	80%	120% From 10% to 15%	130% From 15% to 20%	60%	140% Greater than 20%	150%	60%	70%			50%
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23566

**CURRENT RATE COMPONENT**

RATE COMP. ID	DESCRIPTION
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Revised T-85 Terms &amp; Conditions Replaces Original T-85 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

**RATE ADJUSTMENT PROVISIONS:**  
None



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23566**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>						
234	D	MMBtu	\$.0000	12/01/2010	N						
<b>DESCRIPTION:</b> NACOGDOCHES, INC.											
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:20%">24864</td> <td style="width:15%">TGLO</td> <td colspan="3"></td> </tr> </table>						<b>Customer</b>	24864	TGLO			
<b>Customer</b>	24864	TGLO									
359	D	MMBtu	\$.0000	12/01/2010	N						
<b>DESCRIPTION:</b> TYLER, INC.											
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:20%">24864</td> <td style="width:15%">TGLO</td> <td colspan="3"></td> </tr> </table>						<b>Customer</b>	24864	TGLO			
<b>Customer</b>	24864	TGLO									

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23711**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 12/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24863	ATMOS ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23711

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23711

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23711
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

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RATE COMP. IDDESCRIPTION

information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>



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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">the Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">100% From 5% to</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	100% From 5% to	130% From 15% to 20%	60%	70%	50%	150%	140% Greater than 20%
	Overage	Underage																				
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Percentage of the Cash-Out Price	From 0% to 5%	100%																				
10%	80%	100% From 5% to																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23711

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23711

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
48	D	MMBtu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> CARTHAGE, ENVIRONS					
Customer 24863      ATMOS ENERGY					
234	D	MMBtu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> NACOGDOCHES, INC.					
Customer 24863      ATMOS ENERGY					
42977	D	MMBtu	\$ .0000	04/01/2011	N
<b>DESCRIPTION:</b> CENTER, INC.					
Customer 24863      ATMOS ENERGY					
43001	D	MMBtu	\$ .0000	11/01/2011	N
<b>DESCRIPTION:</b> KENEDY, INC.					
Customer 24863      ATMOS ENERGY					
43028	D	MMBtu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> TENAHA, ENVIRONS					
Customer 24863      ATMOS ENERGY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23712**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 05/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23712

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Physical Business Address: _____</p> <p>Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p>Evergreen: Yes or No _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23712

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23712
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
T-65 Rider 5	<p><b>AVAILABILITY AND APPLICATION</b> This Rider is available in the areas identified in Company's Texas Rate Book to any new or existing Shipper of CenterPoint Energy Entex ("Company") who executes or amends a Transportation Service Agreement on or before December 1, 2010, for service under Rate Schedule No. T-65. This rider only applies to transportation service to an End-use customer at a single Delivery Point where the End-use customer will receive, in Company's best estimate, 2,000,000 MMBtu's or more of natural gas annually. <b>NET MONTHLY RATE</b> Under this rider, the Net Monthly Rate per MMBtu for all gas transported in a month shall be the sum of: (i) \$0.10 per MMBtu; plus (ii) Payments To Governmental Authorities, as defined in Rate Schedule No. T-65 and Company's General Terms and Conditions for Transportation Service. <b>EQUIVALENT QUANTITY OF NATURAL GAS</b> Under this rider, the term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day. <b>GENERAL TERMS AND CONDITIONS</b> Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>
Tnspt Terms T-65 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23712
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation.</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23712

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

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TARIFF CODE: DT

RRC TARIFF NO: 23712

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																									
	<p>Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level</th> <th style="text-align: left;">The Company Pays Shipper the</th> <th style="text-align: left;">Shipper Pays</th> <th style="text-align: left;">Overage</th> <th style="text-align: left;">Underage</th> </tr> <tr> <th style="text-align: left;">Percentage of the</th> <th style="text-align: left;">Company the Following</th> <th style="text-align: left;">Cash-Out Price</th> <th style="text-align: left;">Cash-Out Price</th> <th style="text-align: left;">Following</th> </tr> <tr> <th style="text-align: left;">Percentage of the Cash-Out Price</th> <th style="text-align: left;">From 0% to 5%</th> <th style="text-align: left;">100%</th> <th style="text-align: left;">100% From 5% to</th> <th style="text-align: left;">10%</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">10%</td> <td style="text-align: left;">80%</td> <td style="text-align: left;">120% From 10% to 15%</td> <td style="text-align: left;">70%</td> <td style="text-align: left;">50%</td> </tr> <tr> <td style="text-align: left;">130% From 15% to 20%</td> <td style="text-align: left;">60%</td> <td style="text-align: left;">140% Greater than 20%</td> <td style="text-align: left;">50%</td> <td style="text-align: left;">150%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Overage	Underage	Percentage of the	Company the Following	Cash-Out Price	Cash-Out Price	Following	Percentage of the Cash-Out Price	From 0% to 5%	100%	100% From 5% to	10%	10%	80%	120% From 10% to 15%	70%	50%	130% From 15% to 20%	60%	140% Greater than 20%	50%	150%
Imbalance Level	The Company Pays Shipper the	Shipper Pays	Overage	Underage																						
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23712

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23712**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms & Conditions Replaces Revised T-65 Effective 06-01-2012 Terms & Conditions

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
359	D	MMBtu	\$.0000	05/01/2010	N
<b>DESCRIPTION:</b> TYLER, INC.					
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.  
 Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.  
 I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23713**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 04/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
32587	BP ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23713**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>_____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23713

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23713**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23713

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>

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**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
Tnspt Terms T-69 B	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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**CURRENT RATE COMPONENT**

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Imbalance Level</th> <th style="width: 25%;">The Company Pays Shipper the</th> <th style="width: 25%;">Shipper Pays the</th> <th style="width: 25%;">Underage</th> </tr> <tr> <th>Percentage of the Cash-</th> <th>Company the Following</th> <th>Cash-Out Price</th> <th>Following Percentage of</th> </tr> <tr> <th></th> <th></th> <th>Out Price From 0% to 5%</th> <th></th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100% From 5% to 10%</td> <td>80%</td> <td>120% From 10% to</td> </tr> <tr> <td>15%</td> <td>70%</td> <td>130% From 15% to 20%</td> <td>60%</td> </tr> <tr> <td>140%</td> <td>Greater than 20%</td> <td>50%</td> <td>150%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Underage	Percentage of the Cash-	Company the Following	Cash-Out Price	Following Percentage of			Out Price From 0% to 5%		100%	100% From 5% to 10%	80%	120% From 10% to	15%	70%	130% From 15% to 20%	60%	140%	Greater than 20%	50%	150%
Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Underage																						
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23713

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69                      Effective 06-01-2012                      Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23713**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	04/01/2010	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	32587	BP ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23714

**DESCRIPTION:** Distribution Transportation      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 12/01/2010      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24863	ATMOS ENERGY	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23714

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: right;">Page 1 of 2</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23714

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>_____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23714
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

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information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
<p>Tnspt Terms T-69 B</p>	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">Overage</td> <td style="width: 25%; text-align: center;">Underage</td> <td style="width: 25%;"></td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Following</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Percentage of</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">Out Price From 0% to 5%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">150%</td> </tr> <tr> <td></td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td></td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>		Overage	Underage		Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following	Percentage of the Cash-	Company the Following	Cash-Out Price	Percentage of	100%	100% From 5% to 10%	Out Price From 0% to 5%	120% From 10% to	15%	70%	80%	60%	140%	Greater than 20%	130% From 15% to 20%	150%		50%	150%	
	Overage	Underage																											
Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following																										
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	50%	150%																											

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23714

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69                      Effective 06-01-2012                      Terms &amp; Conditions</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23714**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
48	D	MMBtu	\$.0000	12/01/2010	N
<b>DESCRIPTION:</b> CARTHAGE, ENVIRONS					
Customer    24863                      ATMOS ENERGY					
149	D	MMBtu	\$.0000	01/01/2010	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer    24863                      ATMOS ENERGY					
150	D	MMBtu	\$.0000	09/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer    24863                      ATMOS ENERGY					
55670	D	MMBtu	\$.0000	11/01/2011	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer    24863                      ATMOS ENERGY					
73137	D	MMBtu	\$.0000	12/01/2010	N
<b>DESCRIPTION:</b> SUGAR LAND, ENVIRONS					
Customer    24863                      ATMOS ENERGY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23716**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 03/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
32588	MARABOU	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23716

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's</p> <p>Number: _____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: right;">Note: Bills are rendered via E-mail and are due and payable</p> <p>when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23716

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____</p> <p>_____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____</p> <p>_____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23716

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____  Tnspt Terms T-75 A      CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to

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	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>



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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">The Company Pays Shipper the</td> <td style="width: 33%; text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">150%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out</td> </tr> <tr> <td></td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. 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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23716
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23716**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
43009	D	MMBtu	\$.0000	03/01/2010	N
<b>DESCRIPTION:</b> LUFKIN, INC.					
<b>Customer</b>	32588	MARABOU			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23717**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 12/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
32588	MARABOU	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23717

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>

Page 1 of 2

SHIPPER INFORMATION Name of Shipper: Shipper's Dunn's

Number: Shipper's Physical Business Address: Shipper's Email Billing Address:

Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. Shipper's Business Email Address:

GENERAL INFORMATION Term of Service Begin Date: End Date: Evergreen: Yes or No

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23717

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23717
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-76 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23717
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23717

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>
<p>Tnspt Terms T-76 B</p>	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23717

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																								
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0"> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Overage</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td></td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td></td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td></td> <td style="text-align: center;">150%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than</p>	Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage	Following Percentage of the	Company the Following		Cash-Out Price	Percentage of the Cash-			Out Price From 0% to 5%	100%	100% From 5% to 10%		80%	120% From 10% to 15%	70%	130% From 15% to 20%	60%	140% Greater than 20%	50%		150%
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage																						
Following Percentage of the	Company the Following		Cash-Out Price																						
Percentage of the Cash-			Out Price From 0% to 5%																						
100%	100% From 5% to 10%		80%																						
120% From 10% to 15%	70%	130% From 15% to 20%	60%																						
140% Greater than 20%	50%		150%																						

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23717
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>

Terms & Conditions

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23717**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	12/01/2010	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	32588	MARABOU			
150	D	MMBtu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
<b>Customer</b>	32588	MARABOU			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23718**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 11/10/2014

**INITIAL SERVICE DATE:** 12/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 10/1/14: Add Delivery Point - Pasadena Inc to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24863	ATMOS ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23718
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper</p>

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**TARIFF CODE:** DT      **RRC TARIFF NO:** 23718

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall</p>



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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
Tnspt Terms T-76 B	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>

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	<p>chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be</p>

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	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0"> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Overage</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td></td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td></td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td></td> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an</p>	Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage	Following Percentage of the	Company the Following		Cash-Out Price	Percentage of the Cash-			Out Price From 0% to 5%	100%	100% From 5% to 10%	80%		120% From 10% to 15%	70%	130% From 15% to 20%	60%		140% Greater than 20%	50%	150%
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage																						
Following Percentage of the	Company the Following		Cash-Out Price																						
Percentage of the Cash-			Out Price From 0% to 5%																						
100%	100% From 5% to 10%	80%																							
120% From 10% to 15%	70%	130% From 15% to 20%	60%																						
	140% Greater than 20%	50%	150%																						

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23718

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23718

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Physical Business Address: _____</p> <p>Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p>Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23718

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical Service (Business) Address: _____</p> <p>End-User Facility Contact for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____</p> <p>Applicable Index Adder or WACOG: _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____</p> <p>Date of Execution by Shipper: _____</p> <p>Signature of End-User: _____</p> <p>Date of Execution by End-User: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23718**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23718**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 24863                      ATMOS ENERGY					
150	D	MMBtu	\$ .0000	02/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 24863                      ATMOS ENERGY					
194	D	MMBtu	\$ .0000	10/01/2012	N
<b>DESCRIPTION:</b> LA PORTE, INC.					
Customer 24863                      ATMOS ENERGY					
202	D	MMBtu	\$ .0000	12/01/2011	N
<b>DESCRIPTION:</b> LEAGUE CITY, INC.					
Customer 24863                      ATMOS ENERGY					
55670	D	MMBtu	\$ .0000	11/01/2011	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 24863                      ATMOS ENERGY					
55673	D	MMBtu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 24863                      ATMOS ENERGY					
58921	D	MMBtu	\$ .0000	09/01/2012	N
<b>DESCRIPTION:</b> ALVIN, INC.					
Customer 24863                      ATMOS ENERGY					
58924	D	MMBtu	\$ .0000	11/01/2011	N
<b>DESCRIPTION:</b> CONROE, INC.					
Customer 24863                      ATMOS ENERGY					
58930	D	MMBtu	\$ .0000	10/01/2014	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 24863                      ATMOS ENERGY					
58935	D	MMBtu	\$ .0000	09/01/2012	N
<b>DESCRIPTION:</b> WEBSTER, INC.					
Customer 24863                      ATMOS ENERGY					



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23718**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
58936	D	MMBtu	\$.0000	07/01/2011	N
<b>DESCRIPTION:</b> WOODLANDS, ENVIRONS					
<b>Customer</b> 24863                      ATMOS ENERGY					
66265	D	MMBtu	\$.0000	01/01/2011	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
<b>Customer</b> 24863                      ATMOS ENERGY					
73135	D	MMBtu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> HIGHLANDS, ENVIRONS					
<b>Customer</b> 24863                      ATMOS ENERGY					
73137	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> SUGAR LAND, ENVIRONS					
<b>Customer</b> 24863                      ATMOS ENERGY					
77073	D	MMBtu	\$.0000	02/01/2011	N
<b>DESCRIPTION:</b> PEARLAND, INC.					
<b>Customer</b> 24863                      ATMOS ENERGY					
77075	D	MMBtu	\$.0000	01/01/2011	N
<b>DESCRIPTION:</b> ROSENBERG, INC.					
<b>Customer</b> 24863                      ATMOS ENERGY					
77967	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> MISSOURI CITY, INC.					
<b>Customer</b> 24863                      ATMOS ENERGY					
77972	D	MMBtu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> FREEPORT, INC.					
<b>Customer</b> 24863                      ATMOS ENERGY					
77977	D	MMBtu	\$.0000	09/01/2012	N
<b>DESCRIPTION:</b> KATY, ENVIRONS					
<b>Customer</b> 24863                      ATMOS ENERGY					
77981	D	MMBtu	\$.0000	09/01/2012	N
<b>DESCRIPTION:</b> SEABROOK, INC.					
<b>Customer</b> 24863                      ATMOS ENERGY					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23718**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>			
78666	D	MMBtu	\$.0000	12/01/2011	N			
<b>DESCRIPTION:</b> BROOKSHIRE, INC.								
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">24863</td> <td style="width:70%">ATMOS ENERGY</td> </tr> </table>						<b>Customer</b>	24863	ATMOS ENERGY
<b>Customer</b>	24863	ATMOS ENERGY						
78744	D	MMBtu	\$.0000	12/01/2011	N			
<b>DESCRIPTION:</b> FRIENDSWOOD, INC.								
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">24863</td> <td style="width:70%">ATMOS ENERGY</td> </tr> </table>						<b>Customer</b>	24863	ATMOS ENERGY
<b>Customer</b>	24863	ATMOS ENERGY						

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23719**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 01/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
31483	COKINOS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23719

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-72	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23719

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23719

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-72 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtu which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. <b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23719
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of</p>

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	<p>days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72      Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-72 B	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>



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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 23719

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																
	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 619 487 703">Imbalance Level Percentage of the Cash-</th> <th data-bbox="487 619 893 703">The Company Pays Shipper the Company the Following</th> <th data-bbox="893 619 1218 703">Shipper Pays the Cash-Out Price</th> <th data-bbox="1218 619 1502 703">Overage Underage Following Percentage of the</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 703 487 745">100%</td> <td data-bbox="487 703 893 745">100% From 5% to 10%</td> <td data-bbox="893 703 1218 745">80%</td> <td data-bbox="1218 703 1502 745">120% From 10% to 15%</td> </tr> <tr> <td data-bbox="284 745 487 787">140%</td> <td data-bbox="487 745 893 787">70%</td> <td data-bbox="893 745 1218 787">130% From 15% to 20%</td> <td data-bbox="1218 745 1502 787">60%</td> </tr> <tr> <td data-bbox="284 787 487 829">Greater than 20%</td> <td data-bbox="487 787 893 829">50%</td> <td data-bbox="893 787 1218 829">150%</td> <td data-bbox="1218 787 1502 829">12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. 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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 23719

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23719**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	01/01/2010	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer      31483                      COKINOS					
58924	D	MMBtu	\$.0000	11/01/2013	N
<b>DESCRIPTION:</b> CONROE, INC.					
Customer      31483                      COKINOS					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 23720**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 09/22/2014

**INITIAL SERVICE DATE:** 07/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 8/1/14: Add Delivery Point - Silsbee Env to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
31483	COKINOS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23720

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's</p> <p>Number: _____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: right;">Note: Bills are rendered via E-mail and are due and payable</p> <p>when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 23720

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____</p> <p>_____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____</p> <p>_____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**      **RRC TARIFF NO: 23720**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-75 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23720
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 23720
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**CURRENT RATE COMPONENT**

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th>Underage Imbalance Level</th> <th>The Company Pays Shipper the Following Percentage of the Cash-</th> <th>Shipper Pays the Following</th> <th>Cash-Out Price</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>From 5% to 10%</td> <td>80%</td> </tr> <tr> <td>70%</td> <td>130%</td> <td>From 15% to 20%</td> <td>60%</td> </tr> <tr> <td>50%</td> <td>140%</td> <td>Greater than 20%</td> <td>120%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>	Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Following	Cash-Out Price	100%	100%	From 5% to 10%	80%	70%	130%	From 15% to 20%	60%	50%	140%	Greater than 20%	120%
Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Following	Cash-Out Price														
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	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 23720**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
23	D	MMBtu	\$ .0000	02/01/2011	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 31483 COKINOS					
43019	D	MMBtu	\$ .0000	07/01/2010	N
<b>DESCRIPTION:</b> SAN MARCOS, INC.					
Customer 31483 COKINOS					
43007	D	MMBtu	\$ .0000	07/01/2012	N
<b>DESCRIPTION:</b> LONGVIEW, INC.					
Customer 31483 COKINOS					
43026	D	MMBtu	\$ .0000	06/01/2004	N
<b>DESCRIPTION:</b> SILSBEE, ENVIRONS					
Customer 31483 COKINOS					
43032	D	MMBtu	\$ .0000	05/01/2013	N
<b>DESCRIPTION:</b> VICTORIA, ENVIRONS					
Customer 31483 COKINOS					
87149	D	MMBtu	\$ .0000	04/01/2014	N
<b>DESCRIPTION:</b> EDGEWOOD, ENVIRONS					
Customer 31483 COKINOS					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24231**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 06/01/2011                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24864	TGLO	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 24231**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-86	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) a written Transportation Service Agreement and Exhibit A (hereinafter Agreement) have been executed between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point or Delivery Points, as defined in the contract contemplated hereby, on the campus of a state-owned entity that is eligible to purchase State Royalty Gas; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) a monthly service charge of \$4,400.00 per campus; plus (ii) a rate per MMBtu per campus for all gas transported to the facilities of an End-user Customer at the campus during a billing period equal to the sum of: First 3,000 MMBtu @ \$0.40 per MMBtu Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-86</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-86</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's</p>

Tnspt Terms T-86 A



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24231
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) the campus or campuses of a state-owned entity that is eligible to purchase state royalty gas where all facilities are situated in close geographic proximity and served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of the largest campus will be, based on Company's best estimate, a minimum of 250 Mcf per day; (d) where the actual consumption of any other campus will be, based on Company's best estimate, a minimum of 25 Mcf per day; and (e) the natural gas redelivered is for ultimate consumption at such campus or campuses and not for resale or sharing with others. 2.10 The term End-use Customer shall mean state-owned facilities eligible to purchase state royalty gas and receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term State Royalty Gas shall mean natural gas produced on state lands or in state waters, which represents royalties due to the State of Texas, and which the State of Texas through the Commissioner of the Texas General Land Office, has the right to take in kind. 2.23 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24231
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24231
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Revised T-86 Terms &amp; Conditions Replaces Original T-86 Terms &amp; Conditions Effective 06-01-2012</p>
Tnspt Terms T-86 B	<p>Continuation from Tnspt Terms T-86 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-86 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24231

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24231

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																				
	<p>share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 546 535 640">Underage Imbalance Level</th> <th data-bbox="535 546 876 619">The Company Pays Shipper the Following Percentage of the Cash-</th> <th data-bbox="876 546 1104 619">Shipper Pays the Out Price From</th> <th data-bbox="1104 546 1315 640">Cash-Out Price</th> <th data-bbox="1315 546 1502 640">Percentage of</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 640 535 682">100%</td> <td data-bbox="535 640 876 682">100% From 5% to 10%</td> <td data-bbox="876 640 1104 682">80%</td> <td data-bbox="1104 640 1315 682">120% From 10% to 15%</td> <td data-bbox="1315 640 1502 682">140% Greater than 20%</td> </tr> <tr> <td data-bbox="284 682 535 724">70%</td> <td data-bbox="535 682 876 724">130% From 15% to 20%</td> <td data-bbox="876 682 1104 724">60%</td> <td data-bbox="1104 682 1315 724"></td> <td data-bbox="1315 682 1502 724"></td> </tr> <tr> <td data-bbox="284 724 535 766">50%</td> <td data-bbox="535 724 876 766">150%</td> <td data-bbox="876 724 1104 766"></td> <td data-bbox="1104 724 1315 766"></td> <td data-bbox="1315 724 1502 766"></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper on or before the 15th day of each month (Billing Date) for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>	Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Out Price From	Cash-Out Price	Percentage of	100%	100% From 5% to 10%	80%	120% From 10% to 15%	140% Greater than 20%	70%	130% From 15% to 20%	60%			50%	150%			
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24231

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Revised T-86 Terms &amp; Conditions Replaces Original T-86 Terms &amp; Conditions Effective 06-01-2012</p>

RATE ADJUSTMENT PROVISIONS: None

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24231**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	06/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	24864	TGLO			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24285

**DESCRIPTION:** Distribution Transportation      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**      **RECEIVED DATE:** 09/23/2014

**INITIAL SERVICE DATE:** 06/01/2011      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 8-1-14: Customer Name Changed from Seminole #28438 to Continuum Energy Services #35296

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35296	CONTINUUM ENERGY SERVICES	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24285

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-69 B	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p><b>11. FACILITIES</b> 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b> 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24285

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level Percentage of the Cash-</th> <th style="text-align: center;">The Company Pays Shipper the Company the Following</th> <th style="text-align: center;">Shipper Pays the Cash-Out Price Out Price From 0% to 5%</th> <th style="text-align: center;">Overage Underage Following Percentage of</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td>15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td>140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be</p>	Imbalance Level Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the Cash-Out Price Out Price From 0% to 5%	Overage Underage Following Percentage of	100%	100% From 5% to 10%	80%	120% From 10% to	15%	70%	130% From 15% to 20%	60%	140% Greater than 20%	50%	150%	
Imbalance Level Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the Cash-Out Price Out Price From 0% to 5%	Overage Underage Following Percentage of														
100%	100% From 5% to 10%	80%	120% From 10% to														
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## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 24285

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination of all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY,

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69                      Effective 06-01-2012                      Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24285

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time. EXHIBIT A</p> <p style="text-align: right;">Page 1 of 2</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____ Shipper's _____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable</p> <p>when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>Begin Date: _____ GENERAL INFORMATION Term of Service _____</p> <p>_____ End Date: _____ Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p> <p>_____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days</p> <p>prior renewal through the evergreen mechanism. Rate Schedule: _____ to the expiration date of this Exhibit A to avoid automatic _____</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____</p> <p>_____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>_____ Delivery Point(s): _____</p> <p>_____ Receipt Point(s): _____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____</p> <p>_____ Office _____</p> <p>Fax: _____ E-Mail Address: _____</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p style="text-align: center;">Business E-Mail Address: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24285**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>	
	Other Notices _____ Marketing Representative: _____	All
	Office Fax: _____ Office Telephone: _____	
	Business E-Mail Address: _____ Business Mailing Address: _____	
	Operational Notices Employee Name: _____ NOTICES TO END-USER	Office
	Fax: _____ Office Telephone: _____	
	Business E-Mail Address: _____	
	All Other Notices Employee Name: _____ Office Fax: _____	
	Office Telephone: _____	
	Business E-Mail Address: _____ Business Mailing Address: _____	
	INDEX FOR SHIPPER CASH-OUT	
	CALCULATIONS Applicable Monthly Index: _____	
	Applicable Index Adder or WACOG: _____	Applicable
	Daily Index: _____	
	ACKNOWLEDGEMENTS Signature of Shipper: _____	
	Date of Execution by Shipper: _____	
	Signature of _____	
	End-User: _____	
	Date of Execution by End-User: _____	

Tnspt Terms T-69 A

**CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69**

1. **APPLICABILITY** 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69

2. **DEFINITIONS** 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24285
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24285

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>

Terms & Conditions



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24285**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>						
149	D	MMBtu	\$.0000	06/01/2011	N						
<b>DESCRIPTION:</b> HOUSTON, INC.											
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:20%">35296</td> <td colspan="4">CONTINUUM ENERGY SERVICES</td> </tr> </table>						<b>Customer</b>	35296	CONTINUUM ENERGY SERVICES			
<b>Customer</b>	35296	CONTINUUM ENERGY SERVICES									

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24286**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 04/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24863	ATMOS ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24286

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-72	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24286

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24286

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-72 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24286
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24286
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p> <p>Tnspt Terms T-72 B Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24286
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24286

**CURRENT RATE COMPONENT**

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	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 609 487 703">Imbalance Level Percentage of the Cash-</th> <th data-bbox="487 609 893 703">The Company Pays Shipper the Company the Following</th> <th data-bbox="893 609 1218 703">Shipper Pays the Cash-Out Price</th> <th data-bbox="1218 609 1502 703">Following Underage Percentage of the</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 703 487 745">100%</td> <td data-bbox="487 703 893 745">100% From 5% to 10%</td> <td data-bbox="893 703 1218 745">80%</td> <td data-bbox="1218 703 1502 745">120% From 10% to 15%</td> </tr> <tr> <td data-bbox="284 745 487 787">140%</td> <td data-bbox="487 745 893 787">70%</td> <td data-bbox="893 745 1218 787">130% From 15% to 20%</td> <td data-bbox="1218 745 1502 787">60%</td> </tr> <tr> <td data-bbox="284 787 487 829">Greater than 20%</td> <td data-bbox="487 787 893 829">50%</td> <td data-bbox="893 787 1218 829">150%</td> <td data-bbox="1218 787 1502 829">12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. 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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24286

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24286**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	04/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	24863	ATMOS ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24287**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 09/23/2014

**INITIAL SERVICE DATE:** 08/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Eff 8/1/14: Cust Name Changed from Seminole #28438 to Continuum Energy Services #35296. Remove DP #s 234, 42975 and 77066

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35296	CONTINUUM ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24287
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</p> <p><b>11. FACILITIES</b> 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24287

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Underage Imbalance Level Following Percentage of the Percentage of the Cash-</th> <th style="text-align: center;">The Company Pays Shipper the Company the Following</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Overage Cash-Out Price Out Price From 0% to 5%</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td></td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td></td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be</p>	Underage Imbalance Level Following Percentage of the Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the	Overage Cash-Out Price Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	120% From 10%	to 15%	130% From 15% to 20%	60%		140% Greater than 20%	50%	150%	
Underage Imbalance Level Following Percentage of the Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the	Overage Cash-Out Price Out Price From 0% to 5%														
100%	100% From 5% to 10%	80%	120% From 10%														
to 15%	130% From 15% to 20%	60%															
140% Greater than 20%	50%	150%															

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 24287

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination of all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY,

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24287

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012 Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et</p>



GAS SERVICES DIVISION

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TARIFF CODE: DT RRC TARIFF NO: 24287

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____ Shipper's Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service Begin Date: _____ End Date: _____ Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ E-Mail Address: _____</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____</p>

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CURRENT RATE COMPONENT

Table with columns RATE COMP. ID and DESCRIPTION. Includes fields for Marketing Representative, Operational Notices Employee Name, and various contact information.

Tnspt Terms T-75 A

CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees,

GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes</p>

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	<p>in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

Terms & Conditions

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24287**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42997	D	MMBtu	\$ .0000	10/01/2012	N
<b>DESCRIPTION:</b> JACKSONVILLE, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
42978	D	MMBtu	\$ .0000	08/01/2011	N
<b>DESCRIPTION:</b> CHEEK, ENVIRONS					
Customer 35296 CONTINUUM ENERGY SERVICES					
42991	D	MMBtu	\$ .0000	07/01/2013	N
<b>DESCRIPTION:</b> HENDERSON, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
43033	D	MMBtu	\$ .0000	10/01/2012	N
<b>DESCRIPTION:</b> VICTORIA, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					
78512	D	MMBtu	\$ .0000	11/01/2011	N
<b>DESCRIPTION:</b> SCHERTZ, INC.					
Customer 35296 CONTINUUM ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24288**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 09/23/2014

**INITIAL SERVICE DATE:** 08/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 8-1-14: Customer Name Changed from Seminole #28438 to Continuum Energy Services #24288 . Pearland Inc changed to Twin Eagle T26294.

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
35296	CONTINUUM ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24288
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 B	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>11. FACILITIES</b> 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b> 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24288

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>															
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;"></th> <th style="width: 33%; text-align: center;">The Company Pays Shipper the Company the Following</th> <th style="width: 33%; text-align: center;">Shipper Pays the Cash-Out Price Out Price From 0% to 5%</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Underage Imbalance Level Following Percentage of the Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Overage</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment,</p>		The Company Pays Shipper the Company the Following	Shipper Pays the Cash-Out Price Out Price From 0% to 5%	Underage Imbalance Level Following Percentage of the Percentage of the Cash-		Overage	100%	100% From 5% to 10%	80%	120% From 10% to 15%	70%	130% From 15% to 20%	140% Greater than 20%	50%	150%
	The Company Pays Shipper the Company the Following	Shipper Pays the Cash-Out Price Out Price From 0% to 5%														
Underage Imbalance Level Following Percentage of the Percentage of the Cash-		Overage														
100%	100% From 5% to 10%	80%														
120% From 10% to 15%	70%	130% From 15% to 20%														
140% Greater than 20%	50%	150%														



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24288

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24288
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation</p>

GAS SERVICES DIVISION

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RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

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CURRENT RATE COMPONENT

RATE COMP. ID

DESCRIPTION

would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 1 of 2

SHIPPER INFORMATION Name of Shipper:

Shipper's Dunn's

Number:

Shipper's Physical Business Address:

Shipper's Email Billing Address:

Note: Bills are rendered via E-mail and are due and payable

when E-mail is sent by Company. Shipper's Business Email Address:

GENERAL INFORMATION Term of Service

Begin Date:

End Date:

Evergreen: Yes or No

Period of Evergreen: 1 Year, 2 Years, etc.

Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic

renewal through the evergreen mechanism. Rate Schedule:

End-User

Facility Information End-User Business Name:

End-User Dunn's Number:

End-User Physical

Service (Business) Address:

End-User Facility Contact

for Operating Information and Emergency Notices Name:

Office Telephone:

Office Fax:

E-Mail Address:

Delivery Information Number of Meters Receiving Transportation Service:

Delivery Point(s):

Receipt Point(s):

Quantities: MDQ (in MMBtu/day)

Upstream Pipeline Contact for Confirmations Name:

Office Telephone:

Office

Fax:

E-Mail Address:

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

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NOTICES TO SHIPPER

Operational Notices Supply Coordinator:

Office Fax:

Office Telephone:

Business E-Mail Address:

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CURRENT RATE COMPONENT

Table with columns: RATE COMP. ID, DESCRIPTION. Includes sections for Marketing Representative, Operational Notices Employee Name, All Other Notices Employee Name, INDEX FOR SHIPPER CASH-OUT, CALCULATIONS, ACKNOWLEDGEMENTS, and End-User.

Tnspt Terms T-76 A

CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad

## GAS SERVICES DIVISION

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RATE COMP. IDDESCRIPTION

valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an

GAS SERVICES DIVISION

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<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

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	<p>agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24288**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>						
149	D	MMBtu	\$.0000	01/01/2012	N						
<b>DESCRIPTION:</b> HOUSTON, INC.											
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">35296</td> <td colspan="4">CONTINUUM ENERGY SERVICES</td> </tr> </table>						<b>Customer</b>	35296	CONTINUUM ENERGY SERVICES			
<b>Customer</b>	35296	CONTINUUM ENERGY SERVICES									
150	D	MMBtu	\$.0000	02/01/2013	N						
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS											
<table border="1" style="width:100%"> <tr> <td style="width:15%"><b>Customer</b></td> <td style="width:15%">35296</td> <td colspan="4">CONTINUUM ENERGY SERVICES</td> </tr> </table>						<b>Customer</b>	35296	CONTINUUM ENERGY SERVICES			
<b>Customer</b>	35296	CONTINUUM ENERGY SERVICES									

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24289**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 01/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24289

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-85	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) a written Transportation Service Agreement and Exhibit A (hereinafter Agreement) have been executed between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point or Delivery Points, as defined in the contract contemplated hereby, on the campus of a state-owned entity that is eligible to purchase State Royalty Gas; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) a monthly service charge of \$500.00 per campus; plus (ii) a monthly meter charge of \$35.00 per meter for each meter that is not monitored with telemetering equipment; plus (iii) a rate per MMBtu per campus for all gas transported to the facilities of an End-user Customer at the campus during a billing period equal to the sum of: First 3,000 MMBtu @ \$0.50 per MMBtu Next 3,000 MMBtu @ \$0.25 per MMBtu Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-85</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-85</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British</p>

Tnspt Terms T-85 A

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24289
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) the campus or campuses of a state-owned entity that is eligible to purchase state royalty gas where all facilities are situated in close geographic proximity and served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of the largest campus will be, based on Company's best estimate, a minimum of 50 Mcf per day; (d) where the actual consumption of any other campus will be, based on Company's best estimate, a minimum of 25 Mcf per day; and (e) the natural gas redelivered is for ultimate consumption at such campus or campuses and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any</p>

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24289

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24289
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Revised T-85 Terms &amp; Conditions Replaces Original T-85 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p> <p>Tnspt Terms T-85 B Continuation from Tnspt Terms T-85 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-85 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 24289

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 24289**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																											
	<p>share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Following Percentage of the Cash-</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to 15%</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> <tr> <td style="text-align: center;">150%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">50%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	the	Company the Following	Cash-Out Price			Following Percentage of the Cash-			100%	100% From 5% to 10%	80%	120% From 10% to 15%	130% From 15% to 20%	60%	140% Greater than 20%	150%	60%	70%			50%
	Overage	Underage																										
Imbalance Level	The Company Pays Shipper the	Shipper Pays the																										
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24289

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Revised T-85 Terms &amp; Conditions Replaces Original T-85 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

**RATE ADJUSTMENT PROVISIONS:**  
None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24289**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
23	D	MMBtu	\$ .0000	07/01/2011	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
155	D	MMBtu	\$ .0000	07/01/2011	N
<b>DESCRIPTION:</b> HUNTSVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
183	D	MMBtu	\$ .0000	01/01/2011	N
<b>DESCRIPTION:</b> KINGSVILLE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
43019	D	MMBtu	\$ .0000	06/01/2012	N
<b>DESCRIPTION:</b> SAN MARCOS, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					
71798	D	MMBtu	\$ .0000	09/01/2011	N
<b>DESCRIPTION:</b> KILGORE, INC.					
Customer 34371 CENTERPOINT ENERGY SERVICES					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24291**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 12/01/2010                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24291

**CURRENT RATE COMPONENT**

RATE COMP. ID	DESCRIPTION
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24291

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24291

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
T-65-Rider-4	<p>AVAILABILITY AND APPLICATION This Rider is available in the areas identified in Company's Texas Rate Book to any new or existing Shipper of CenterPoint Energy Entex ("Company") who executes or amends a Transportation Service Agreement on or before February 29, 2008, for service under Rate Schedule No. T-65. This rider only applies to transportation service to an End-use customer where the End-use customer will receive, in Company's best estimate, 1,200,000 MMBtu's or more of natural gas annually at one of its Delivery Points and whose cumulative annual delivery for four delivery points shall be, in Company's best estimate, in excess of 1,400,000 MMBtu. This Rider will expire and shall not be available or applicable to any transportation service provided by Company on and after October 31, 2010. NET MONTHLY RATE Under this rider, the Net Monthly Rate per MMBtu for all gas transported in a month shall be the sum of: (i) \$0.10 per MMBtu; plus (ii) Payments To Governmental Authorities, as defined in Rate Schedule No. T-65 and Company's General Terms and Conditions for Transportation Service. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24291
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24291

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012 Terms &amp; Conditions</p>
<p>Tnspt Terms T-65 B</p>	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 24291

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24291

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																								
	<p>Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">the Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to 15%</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td></td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index</td> <td></td> </tr> </table> <p>specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	120% From 10% to 15%	130% From 15% to 20%	60%	140% Greater than 20%	50%	150%	70%		12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index	
	Overage	Underage																							
Imbalance Level	The Company Pays Shipper the	Shipper Pays																							
Percentage of the	the Company the Following	Cash-Out Price																							
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24291
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24291**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms & Conditions Replaces Revised T-65 Effective 06-01-2012 Terms & Conditions

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
58937	D	MMBtu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> PITTSBURG, INC.					
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES			
58938	D	MMBtu	\$ .0000	12/01/2010	N
<b>DESCRIPTION:</b> MT. PLEASANT, INC.					
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24381**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 03/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
29391	CONSTELLATION	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24381

CURRENT RATE COMPONENT

Table with 2 columns: RATE COMP. ID, DESCRIPTION. Includes entries for PSIF-9 and T-75 with detailed descriptions of pipeline safety fees and gas availability terms.

Page 1 of 2

SHIPPER INFORMATION Name of Shipper: Shipper's Dunn's

Number: Shipper's Physical Business Address: Shipper's Email Billing Address:

Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. Shipper's Business Email Address:

Begin Date: End Date: Evergreen: Yes or No

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RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24381

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

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**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24381

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-75 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

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**CURRENT RATE COMPONENT**

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	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012      Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company provides to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>



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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 24381**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																																																																																																																																																																														
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">The Company Pays Shipper the</td> <td style="width: 33%; text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided,</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30)</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">terminate the Agreement in addition to any and all other remedies available hereunder. 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In the event of an Underage, the Cash Out Price shall be Cash-out Index	140%	150%	plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may	140%	150%	change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such	140%	150%	change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by	140%	150%	Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5%	140%	150%	range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company	140%	150%	shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the	140%	150%	preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be	140%	150%	prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual	140%	150%	quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the	140%	150%	amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available	140%	150%	funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good	140%	150%	faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided,	140%	150%	however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and	140%	150%	supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event	140%	150%	the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights	140%	150%	pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from	140%	150%	the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money	140%	150%	Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company	140%	150%	and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain	140%	150%	copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary	140%	150%	to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be	140%	150%	conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless	140%	150%	such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the	140%	150%	month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30)	140%	150%	days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially	140%	150%	reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or	140%	150%	not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its	140%	150%	guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of	140%	150%	Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount	140%	150%	and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish	140%	150%	credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a	140%	150%	security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to	140%	150%	Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its	140%	150%	guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise	140%	150%	commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection	140%	150%	of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however	140%	150%	evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,	140%	150%	trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the	140%	150%	Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of	140%	150%	Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not	140%	150%	have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is	140%	150%	due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity	140%	150%	and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all	140%	150%	the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is	140%	150%	materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall	140%	150%	have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to	140%	150%	terminate the Agreement in addition to any and all other remedies available hereunder. 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140%	150%	shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the																																																																																																																																																																													
140%	150%	preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be																																																																																																																																																																													
140%	150%	prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual																																																																																																																																																																													
140%	150%	quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the																																																																																																																																																																													
140%	150%	amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available																																																																																																																																																																													
140%	150%	funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good																																																																																																																																																																													
140%	150%	faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided,																																																																																																																																																																													
140%	150%	however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and																																																																																																																																																																													
140%	150%	supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event																																																																																																																																																																													
140%	150%	the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights																																																																																																																																																																													
140%	150%	pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from																																																																																																																																																																													
140%	150%	the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money																																																																																																																																																																													
140%	150%	Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company																																																																																																																																																																													
140%	150%	and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain																																																																																																																																																																													
140%	150%	copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary																																																																																																																																																																													
140%	150%	to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be																																																																																																																																																																													
140%	150%	conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless																																																																																																																																																																													
140%	150%	such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the																																																																																																																																																																													
140%	150%	month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30)																																																																																																																																																																													
140%	150%	days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially																																																																																																																																																																													
140%	150%	reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or																																																																																																																																																																													
140%	150%	not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its																																																																																																																																																																													
140%	150%	guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of																																																																																																																																																																													
140%	150%	Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount																																																																																																																																																																													
140%	150%	and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish																																																																																																																																																																													
140%	150%	credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a																																																																																																																																																																													
140%	150%	security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to																																																																																																																																																																													
140%	150%	Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its																																																																																																																																																																													
140%	150%	guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise																																																																																																																																																																													
140%	150%	commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection																																																																																																																																																																													
140%	150%	of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however																																																																																																																																																																													
140%	150%	evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,																																																																																																																																																																													
140%	150%	trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the																																																																																																																																																																													
140%	150%	Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of																																																																																																																																																																													
140%	150%	Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not																																																																																																																																																																													
140%	150%	have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is																																																																																																																																																																													
140%	150%	due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity																																																																																																																																																																													
140%	150%	and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all																																																																																																																																																																													
140%	150%	the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is																																																																																																																																																																													
140%	150%	materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall																																																																																																																																																																													
140%	150%	have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to																																																																																																																																																																													
140%	150%	terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs,																																																																																																																																																																													
140%	150%	counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall																																																																																																																																																																													
140%	150%	have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days																																																																																																																																																																													

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24381
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24381**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
77964	D	MMBtu	\$ .0000	03/01/2011	N
<b>DESCRIPTION:</b> ELKHART, INC.					
<b>Customer</b>	29391	CONSTELLATION			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24382**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 11/10/2014

**INITIAL SERVICE DATE:** 01/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 10/1/14: Add Delivery Points - (6 Inc) Shenandoah, Humble, Baytown, Stafford, Pearland and Webster

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33145	CIMA ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24382
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24382
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24382

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012 Terms &amp; Conditions</p>
<p>Tnspt Terms T-76 B</p>	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24382

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 24382**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																					
	<p>nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%;"></td> </tr> <tr> <td>Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td>Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td>Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>		Overage		Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-		Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	120% From 10% to 15%	70%	130% From 15% to 20%	140% Greater than 20%	50%	150%
	Overage																					
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24382

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24382

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Physical Business Address: _____</p> <p>Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p>Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24382

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical Service (Business) Address: _____</p> <p>End-User Facility Contact for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____</p> <p>Applicable Index Adder or WACOG: _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____</p> <p>Date of Execution by Shipper: _____</p> <p>Signature of End-User: _____</p> <p>Date of Execution by End-User: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24382**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24382**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
194	D	MMBtu	\$ .0000	12/01/2011	N
<b>DESCRIPTION:</b> LA PORTE, INC.					
Customer 33145 CIMA ENERGY					
55670	D	MMBtu	\$ .0000	04/01/2012	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 33145 CIMA ENERGY					
58928	D	MMBtu	\$ .0000	10/01/2014	N
<b>DESCRIPTION:</b> HUMBLE, INC.					
Customer 33145 CIMA ENERGY					
58930	D	MMBtu	\$ .0000	03/01/2014	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 33145 CIMA ENERGY					
58932	D	MMBtu	\$ .0000	10/01/2014	N
<b>DESCRIPTION:</b> SHENANDOAH, INC.					
Customer 33145 CIMA ENERGY					
58933	D	MMBtu	\$ .0000	10/01/2014	N
<b>DESCRIPTION:</b> STAFFORD, INC.					
Customer 33145 CIMA ENERGY					
58935	D	MMBtu	\$ .0000	10/01/2014	N
<b>DESCRIPTION:</b> WEBSTER, INC.					
Customer 33145 CIMA ENERGY					
58936	D	MMBtu	\$ .0000	07/01/2008	N
<b>DESCRIPTION:</b> WOODLANDS, ENVIRONS					
Customer 33145 CIMA ENERGY					
66265	D	MMBtu	\$ .0000	10/01/2014	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer 33145 CIMA ENERGY					
73137	D	MMBtu	\$ .0000	03/01/2014	N
<b>DESCRIPTION:</b> SUGAR LAND, ENVIRONS					
Customer 33145 CIMA ENERGY					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24382**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
73140	D	MMBtu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> KATY, INC.					
<b>Customer</b>	33145	CIMA ENERGY			
77073	D	MMBTu	\$.0000	10/01/2014	N
<b>DESCRIPTION:</b> PEARLAND, INC.					
<b>Customer</b>	33145	CIMA ENERGY			
77977	D	MMBtu	\$.0000	07/01/2013	N
<b>DESCRIPTION:</b> KATY, ENVIRONS					
<b>Customer</b>	33145	CIMA ENERGY			
78667	D	MMBtu	\$.0000	04/01/2013	N
<b>DESCRIPTION:</b> HUNTERS CREEK VILLAGE, INC.					
<b>Customer</b>	33145	CIMA ENERGY			
149	D	MMBtu	\$.0000	01/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	33145	CIMA ENERGY			
150	D	MMBtu	\$.0000	05/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
<b>Customer</b>	33145	CIMA ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24383**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 04/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33146	VISTA ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24383

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: center;">Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24383

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**      **RRC TARIFF NO: 24383**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 A	<p>End-User: _____ Date of Execution by End-User: _____</p> <p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

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	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p> <p>Tnspt Terms T-76 B Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company provides to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th>Underage Imbalance Level</th> <th>The Company Pays Shipper the Following Percentage of the Cash-</th> <th>Shipper Pays the Cash-Out Price</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>0%</td> </tr> <tr> <td>120%</td> <td>70%</td> <td>80%</td> </tr> <tr> <td>140%</td> <td>50%</td> <td>100%</td> </tr> <tr> <td>Greater than 20%</td> <td>10%</td> <td>120%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than</p>	Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Cash-Out Price	100%	100%	0%	120%	70%	80%	140%	50%	100%	Greater than 20%	10%	120%
Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Cash-Out Price														
100%	100%	0%														
120%	70%	80%														
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24383

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 24383**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	04/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 33146 VISTA ENERGY					
150	D	MMBtu	\$ .0000	09/01/2011	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 33146 VISTA ENERGY					
55678	D	MMBtu	\$ .0000	07/01/2012	N
<b>DESCRIPTION:</b> LA PORTE, ENVIRONS					
Customer 33146 VISTA ENERGY					
55679	D	MMBtu	\$ .0000	03/01/2012	N
<b>DESCRIPTION:</b> PASADENA, ENVIRONS					
Customer 33146 VISTA ENERGY					
58923	D	MMBtu	\$ .0000	03/01/2012	N
<b>DESCRIPTION:</b> CHANNEL AREA, ENVIRONS					
Customer 33146 VISTA ENERGY					
66265	D	MMBtu	\$ .0000	07/01/2012	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer 33146 VISTA ENERGY					
77073	D	MMBtu	\$ .0000	06/01/2011	N
<b>DESCRIPTION:</b> PEARLAND, INC.					
Customer 33146 VISTA ENERGY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24628**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 12/01/2011                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24863	ATMOS ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24628

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's</p> <p>Number: _____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: right;">Note: Bills are rendered via E-mail and are due and payable</p> <p>when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24628

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24628

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-75 A	<p>End-User: _____ Date of Execution by End-User: _____</p> <p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

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	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>



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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">The Company Pays Shipper the</td> <td style="width: 33%; text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. 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All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30)</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">days of notice and substantiation of such inaccuracy. 14. 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EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">terminate the Agreement in addition to any and all other remedies available hereunder. 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In the event of an Underage, the Cash Out Price shall be Cash-out Index	140%	150%	plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may	140%	150%	change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such	140%	150%	change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by	140%	150%	Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5%	140%	150%	range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company	140%	150%	shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the	140%	150%	preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be	140%	150%	prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual	140%	150%	quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the	140%	150%	amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available	140%	150%	funds. 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140%	150%	copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary																																																																																																																																																																													
140%	150%	to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be																																																																																																																																																																													
140%	150%	conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless																																																																																																																																																																													
140%	150%	such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the																																																																																																																																																																													
140%	150%	month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30)																																																																																																																																																																													
140%	150%	days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially																																																																																																																																																																													
140%	150%	reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or																																																																																																																																																																													
140%	150%	not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its																																																																																																																																																																													
140%	150%	guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of																																																																																																																																																																													
140%	150%	Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount																																																																																																																																																																													
140%	150%	and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish																																																																																																																																																																													
140%	150%	credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a																																																																																																																																																																													
140%	150%	security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to																																																																																																																																																																													
140%	150%	Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its																																																																																																																																																																													
140%	150%	guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise																																																																																																																																																																													
140%	150%	commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection																																																																																																																																																																													
140%	150%	of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however																																																																																																																																																																													
140%	150%	evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,																																																																																																																																																																													
140%	150%	trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the																																																																																																																																																																													
140%	150%	Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of																																																																																																																																																																													
140%	150%	Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not																																																																																																																																																																													
140%	150%	have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is																																																																																																																																																																													
140%	150%	due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity																																																																																																																																																																													
140%	150%	and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all																																																																																																																																																																													
140%	150%	the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is																																																																																																																																																																													
140%	150%	materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall																																																																																																																																																																													
140%	150%	have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to																																																																																																																																																																													
140%	150%	terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs,																																																																																																																																																																													
140%	150%	counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall																																																																																																																																																																													
140%	150%	have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days																																																																																																																																																																													

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 24628
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24628**

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24628**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
23	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 24863                      ATMOS ENERGY					
42970	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> BASTROP, INC.					
Customer 24863                      ATMOS ENERGY					
43003	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> LAREDO, INC.					
Customer 24863                      ATMOS ENERGY					
43014	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> NEW BRAUNFELS, INC.					
Customer 24863                      ATMOS ENERGY					
43026	D	MMBtu	\$.0000	08/01/2012	N
<b>DESCRIPTION:</b> SILSBEE, ENVIRONS					
Customer 24863                      ATMOS ENERGY					
43033	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> VICTORIA, INC.					
Customer 24863                      ATMOS ENERGY					
66345	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> UNIVERSAL CITY, INC.					
Customer 24863                      ATMOS ENERGY					
78512	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> SCHERTZ, INC.					
Customer 24863                      ATMOS ENERGY					
78741	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> BUDA, INC.					
Customer 24863                      ATMOS ENERGY					
78742	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> FLORESVILLE, INC.					
Customer 24863                      ATMOS ENERGY					

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24628**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
78743	D	MMBtu	\$.0000	12/01/2011	N
<b>DESCRIPTION:</b> KYLE, INC.					
<b>Customer</b>	24863	ATMOS ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24641**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:** 02/01/2012                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:**                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
31483	COKINOS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24641

CURRENT RATE COMPONENT

Table with 2 columns: RATE COMP. ID and DESCRIPTION. Includes entries for PSIF-9 and T-65 with detailed descriptions of pipeline safety fees and gas transportation services.

EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT SHIPPER INFORMATION Name of Shipper: Shipper's Dunn's Number: Shipper's Physical Business Address: Shipper's Email Billing Address: Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. Shipper's Business Email Address: GENERAL INFORMATION Term of Service Begin Date: End Date: Evergreen: Yes or No



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24641

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24641

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 24641

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the

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**CURRENT RATE COMPONENT**

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">the Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">100% From 5% to</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	100% From 5% to	130% From 15% to 20%	60%	70%	50%	150%	140% Greater than 20%
	Overage	Underage																				
Imbalance Level	The Company Pays Shipper the	Shipper Pays																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24641

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24641**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
252	D	MMBtu	\$.0000	02/01/2012	N
<b>DESCRIPTION:</b> ORANGE, ENVIRONS					
Customer      31483                      COKINOS					
43035	D	MMBtu	\$.0000	11/01/2013	N
<b>DESCRIPTION:</b> WEIMAR, INC.					
Customer      31483                      COKINOS					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 24758**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 01/01/2012                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:** 06/01/2012

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33495	NORTH STAR GAS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24758

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: center;">Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 24758

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____</p> <p>_____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____</p> <p>_____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 24758

**CURRENT RATE COMPONENT**

RATE COMP. ID	DESCRIPTION
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-76 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 24758

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p> <p>Tnspt Terms T-76 B Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.																												
	<table border="0"> <tr> <td></td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Overage</td> </tr> <tr> <td>Underage Imbalance Level</td> <td style="text-align: center;">Company the Following</td> <td></td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td>Following Percentage of the</td> <td></td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td>Percentage of the Cash-</td> <td></td> <td></td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td></td> <td></td> </tr> <tr> <td>120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td></td> <td style="text-align: center;">150%</td> </tr> </table>		The Company Pays Shipper the	Shipper Pays the	Overage	Underage Imbalance Level	Company the Following		Cash-Out Price	Following Percentage of the			Out Price From 0% to 5%	Percentage of the Cash-			80%	100%	100% From 5% to 10%			120% From 10% to 15%	70%	130% From 15% to 20%	60%	140% Greater than 20%	50%		150%
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	12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than																												



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	<p>the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>

Terms & Conditions

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 24758**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	01/01/2012	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 33495 NORTH STAR GAS					
150	D	MMBtu	\$.0000	12/01/2012	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 33495 NORTH STAR GAS					
55673	D	MMBtu	\$.0000	09/01/2012	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 33495 NORTH STAR GAS					
58930	D	MMBtu	\$.0000	12/01/2012	N
<b>DESCRIPTION:</b> PASADENA, INC.					
Customer 33495 NORTH STAR GAS					
66265	D	MMBtu	\$.0000	06/01/2012	N
<b>DESCRIPTION:</b> BAYTOWN, INC.					
Customer 33495 NORTH STAR GAS					
67773	D	MMBtu	\$.0000	11/01/2012	N
<b>DESCRIPTION:</b> LIVERPOOL, INC.					
Customer 33495 NORTH STAR GAS					
73142	D	MMBtu	\$.0000	01/01/2012	N
<b>DESCRIPTION:</b> GALENA PARK, INC.					
Customer 33495 NORTH STAR GAS					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25207**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 06/01/2012                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25207

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 25207

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25207
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
T-69 Rider 2	CENTERPOINT ENERGY ENTEX TRANSPORTATION SERVICE RIDER 2 - RATE SCHEDULE T-69 AVAILABILITY AND APPLICATION This Rider is available in the areas identified in Company's Texas Rate Book to any new or existing Shipper of CenterPoint Energy Entex ('Company) who executes or amends a Transportation Service Agreement on or before June 1, 2012, for service under Rate Schedule No. T-69. This rider only applies to transportation service to an End-use customer at a single Delivery Point where the End-use customer will receive, in Company's best estimate, 220,000 MMBtu or more of natural gas annually. Until cancelled, this Rider will renew annually on May 31 of each year after 2012. NET MONTHLY RATE Under this rider, the Net Monthly Rate per MMBtu for all gas transported in a month shall be the sum of: (i) \$0.10 per MMBtu; plus (ii) Payments To Governmental Authorities, as defined in Rate Schedule No. T-69, and Company's General Terms and Conditions for Transportation Service. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.
Tnspt Terms T-69 A	CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 25207

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25207

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
Tnspt Terms T-69 B	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25207
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the</p>

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**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25207

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																																			
	<p>beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level</th> <th style="text-align: center;">The Company Pays Shipper the</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Overage</th> <th style="text-align: center;">Underage</th> </tr> <tr> <th style="text-align: left;">Percentage of the Cash-</th> <th style="text-align: center;">Company the Following</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Cash-Out Price</th> <th style="text-align: center;">Following</th> </tr> <tr> <th style="text-align: left;">the Cash-</th> <th style="text-align: center;">Company the Following</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Out Price From 0% to 5%</th> <th style="text-align: center;">Percentage of</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">100%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120%</td> </tr> <tr> <td style="text-align: left;">15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: left;">140%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out</td> <td></td> </tr> <tr> <td style="text-align: left;">Greater than 20%</td> <td></td> <td></td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index</td> <td></td> </tr> </tbody> </table> <p>plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage	Underage	Percentage of the Cash-	Company the Following	Shipper Pays the	Cash-Out Price	Following	the Cash-	Company the Following	Shipper Pays the	Out Price From 0% to 5%	Percentage of	100%	100%	From 5% to 10%	80%	120%	15%	70%	130%	From 15% to 20%	60%	140%	50%	150%	12.7.2 In the event of an Overage, the Cash Out		Greater than 20%			Price shall be the Cash-out Index specified in the Agreement. 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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25207**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms & Conditions Replaces Revised T-69                      Effective 06-01-2012                      Terms & Conditions

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	06/01/2012	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25438**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 06/01/2012                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33146	VISTA ENERGY	N	

GAS SERVICES DIVISION
GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 25438

CURRENT RATE COMPONENT

Table with 2 columns: RATE COMP. ID and DESCRIPTION. Includes entries for PSIF-9 and T-72 with detailed descriptions of pipeline safety fees and availability terms. Includes EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT and SHIPPER INFORMATION fields.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 25438

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25438

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-72 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtu which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25438
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telex number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telex number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 25438

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72                      Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-72 B	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25438
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25438

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																
	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 619 487 703">Imbalance Level Percentage of the Cash-</th> <th data-bbox="487 619 893 703">The Company Pays Shipper the Company the Following</th> <th data-bbox="893 619 1218 703">Shipper Pays the Cash-Out Price Out Price From 0% to 5%</th> <th data-bbox="1218 619 1502 703">Overage Underage Following Percentage of the</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 703 487 745">100%</td> <td data-bbox="487 703 893 745">100% From 5% to 10%</td> <td data-bbox="893 703 1218 745">80%</td> <td data-bbox="1218 703 1502 745">120% From 10% to 15%</td> </tr> <tr> <td data-bbox="284 745 487 787">140% Greater than 20%</td> <td data-bbox="487 745 893 787">70%</td> <td data-bbox="893 745 1218 787">130% From 15% to 20%</td> <td data-bbox="1218 745 1502 787">60%</td> </tr> <tr> <td data-bbox="284 787 487 829"></td> <td data-bbox="487 787 893 829">50%</td> <td data-bbox="893 787 1218 829">150%</td> <td data-bbox="1218 787 1502 829">12.7.2 In the event of an Overage, the Cash Out</td> </tr> </tbody> </table> <p>Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall</p>	Imbalance Level Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the Cash-Out Price Out Price From 0% to 5%	Overage Underage Following Percentage of the	100%	100% From 5% to 10%	80%	120% From 10% to 15%	140% Greater than 20%	70%	130% From 15% to 20%	60%		50%	150%	12.7.2 In the event of an Overage, the Cash Out
Imbalance Level Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the Cash-Out Price Out Price From 0% to 5%	Overage Underage Following Percentage of the														
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 25438

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25438**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	06/01/2012	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	33146	VISTA ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25673**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 07/01/2012                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33495	NORTH STAR GAS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25673

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>

EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT

Page 1 of 2      SHIPPER INFORMATION Name of Shipper: \_\_\_\_\_ Shipper's Dunn's

Number: \_\_\_\_\_ Shipper's Physical Business Address: \_\_\_\_\_

\_\_\_\_\_ Shipper's Email Billing Address: \_\_\_\_\_

\_\_\_\_\_ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. \_\_\_\_\_ Shipper's Business Email Address: \_\_\_\_\_

\_\_\_\_\_ GENERAL INFORMATION Term of Service

Begin Date: \_\_\_\_\_ End Date: \_\_\_\_\_

Evergreen: Yes or No



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 25673

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25673

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-75 A	<p>End-User: _____ Date of Execution by End-User: _____</p> <p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25673
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25673

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012      Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 25673

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 25673**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																																																																																																																																																																											
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">The Company Pays Shipper the</td> <td style="width: 33%; text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">From 15% to 20%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out</td> </tr> <tr> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5%</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided,</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30)</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs,</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</td> </tr> </table>		The Company Pays Shipper the	Shipper Pays the	Underage Imbalance Level	Company the Following	Cash-Out Price	Following Percentage of the	Percentage of the Cash-	Out Price From 0% to 5%	Percentage of the Cash-	100%	120% From 10%	100%	From 5% to 10%	80%	to 15%	130%	60%	140%	From 15% to 20%	12.7.2 In the event of an Overage, the Cash Out	Greater than 20%	50%	Price shall be the Cash-out Index specified in the Agreement. 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If the actual quantity delivered is not known by the Billing Date, billing shall be			prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual			quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the			amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available			funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good			faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided,			however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and			supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event			the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights			pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from			the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money			Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company			and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain			copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary			to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be			conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless			such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the			month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30)			days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially			reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or			not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its			guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of			Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount			and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish			credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a			security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to			Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its			guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise			commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection			of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however			evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,			trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the			Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of			Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not			have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is			due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity			and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all			the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is			materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall			have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to			terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs,			counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall			have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days
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to 15%	130%	60%																																																																																																																																																																										
140%	From 15% to 20%	12.7.2 In the event of an Overage, the Cash Out																																																																																																																																																																										
Greater than 20%	50%	Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index																																																																																																																																																																										
		plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may																																																																																																																																																																										
		change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such																																																																																																																																																																										
		change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by																																																																																																																																																																										
		Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5%																																																																																																																																																																										
		range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company																																																																																																																																																																										
		shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the																																																																																																																																																																										
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 25673

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25673**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>						
80460	D	MMBtu	\$.0000	07/01/2012	N						
<b>DESCRIPTION:</b> CONVERSE, INC.											
<table border="1"> <tr> <td><b>Customer</b></td> <td>33495</td> <td colspan="4">NORTH STAR GAS</td> </tr> </table>						<b>Customer</b>	33495	NORTH STAR GAS			
<b>Customer</b>	33495	NORTH STAR GAS									
80461	D	MMBtu	\$.0000	07/01/2012	N						
<b>DESCRIPTION:</b> POTH, INC.											
<table border="1"> <tr> <td><b>Customer</b></td> <td>33495</td> <td colspan="4">NORTH STAR GAS</td> </tr> </table>						<b>Customer</b>	33495	NORTH STAR GAS			
<b>Customer</b>	33495	NORTH STAR GAS									

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25728**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 06/16/2014

**INITIAL SERVICE DATE:** 01/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 5/1/14: Add Delivery Point: - Houston Env to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33145	CIMA ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 25728

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: right;">GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 25728

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 25728**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

GAS SERVICES DIVISION  
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**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25728

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>

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	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
Tnspt Terms T-69 B	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

## GAS SERVICES DIVISION

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the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have





GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 25728

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012 Terms &amp; Conditions</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25728**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
150	D	MMBtu	\$.0000	05/01/2014	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer      33145                      CIMA ENERGY					
55678	D	MMBtu	\$.0000	01/01/2013	N
<b>DESCRIPTION:</b> LA PORTE, ENVIRONS					
Customer      33145                      CIMA ENERGY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25886**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 02/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add pipeline safety inspection fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25886
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-88	<p>CENTERPOINT ENERGY ENTEX TRANSPORTATION SERVICE RATE SCHEDULE NO. T-88 AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) a written Transportation Service Agreement and Exhibit A (hereinafter Agreement) have been executed between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point or Delivery Points, as defined in the contract contemplated hereby, on the campus of a municipally-owned entity that is eligible to purchase State Royalty Gas; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) a rate per MMBtu for all gas transported to the facilities of an End-user Customer at the campus(es) during a twelve month period running from February to January: First 1,500,000 MMBtu @ \$870,000.00 Over 1,500,000 MMBtu @ \$0.10 per MMBtu; plus (ii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. (iii) The \$870,000 charge for the first 1,500,000 MMBtu shall be divided into twelve (12) equal monthly installments of \$72,500.00 for billing purposes. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p>Tnspt Terms T-88 A CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-88 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-88 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25886
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) the campus or campuses of a municipally-owned entity that is eligible to purchase state royalty gas where all facilities are situated in close geographic proximity and served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of the combined campus or campuses will be, based on Company's best estimate, a minimum of 1,000,000 MMBtu per year; and (d) the natural gas redelivered is for ultimate consumption at such campus or campuses and not for resale or sharing with others. 2.10 The term End-use Customer shall mean state-owned facilities eligible to purchase state royalty gas and receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term State Royalty Gas shall mean natural gas produced on state lands or in state waters, which represents royalties due to the State of Texas, and which the State of Texas through the Commissioner of the Texas General Land Office, has the right to take in kind. 2.23 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 25886

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25886

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-88 B	<p>construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service.</p> <p>Continuation from Tnspt Terms T-88 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-88 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries at low fixed pressure \$30.00 per meter per month Transportation redeliveries with</p>

GAS SERVICES DIVISION

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<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and</p>



GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25886**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																								
	<p>scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances</p> <p>12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td>Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td>Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Out Price From</td> </tr> <tr> <td>0% to 5%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> </tr> <tr> <td>80%</td> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td>From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> <tr> <td>50%</td> <td style="text-align: center;">150%</td> <td></td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper on or before the 15th day of each month (Billing Date) for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-		Out Price From	0% to 5%	100%	100% From 5% to 10%	80%	120% From 10% to 15%	70%	From 15% to 20%	60%	140% Greater than 20%	50%	150%	
	Overage	Underage																							
Imbalance Level	The Company Pays Shipper the	Shipper Pays the																							
Following Percentage of the	Company the Following	Cash-Out Price																							
Percentage of the Cash-		Out Price From																							
0% to 5%	100%	100% From 5% to 10%																							
80%	120% From 10% to 15%	70%																							
From 15% to 20%	60%	140% Greater than 20%																							
50%	150%																								

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25886
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure.</p>

**RATE ADJUSTMENT PROVISIONS:**

None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25886**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	03/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25887**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 08/21/2014

**INITIAL SERVICE DATE:** 02/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 7/1/14: Add Delivery Point - Houston Env to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34368	IINFINITE ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 25887
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 B	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>11. FACILITIES</b> 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b> 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25887

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																				
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Underage Imbalance Level Following Percentage of the Percentage of the Cash-</th> <th style="text-align: center;">The Company Pays Shipper the Company the Following</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Overage</th> </tr> <tr> <th></th> <th></th> <th></th> <th style="text-align: center;">Cash-Out Price Out Price From 0% to 5%</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td></td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td></td> <td style="text-align: center;">150%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment,</p>	Underage Imbalance Level Following Percentage of the Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the	Overage				Cash-Out Price Out Price From 0% to 5%	100%	100% From 5% to 10%		80%	120% From 10% to 15%	70%	130% From 15% to 20%	60%	140% Greater than 20%	50%		150%
Underage Imbalance Level Following Percentage of the Percentage of the Cash-	The Company Pays Shipper the Company the Following	Shipper Pays the	Overage																		
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 25887

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 25887

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 25887

CURRENT RATE COMPONENT

RATE COMP. ID

DESCRIPTION

would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A

TO TRANSPORTATION SERVICE AGREEMENT

Page 1 of 2

SHIPPER INFORMATION Name of Shipper:

Number: Shipper's Dunn's Shipper's Physical Business Address: Shipper's Email Billing Address:

Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. Shipper's Business Email Address:

Begin Date: End Date: Evergreen: Yes or No

Period of Evergreen: 1 Year, 2 Years, etc.

Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:

Facility Information End-User Business Name: End-User End-User Dunn's Number: End-User Physical

Service (Business) Address: End-User Facility Contact for Operating Information and Emergency Notices Name:

Office Telephone: Office Fax: E-Mail Address:

Delivery Information Number of Meters Receiving Transportation Service: Delivery Point(s): Receipt Point(s):

Quantities: MDQ (in MMBtu/day)

Upstream Pipeline Contact for Confirmations Name: Office Telephone: Office Fax:

E-Mail Address:

EXHIBIT A Page 2 of 2

TO TRANSPORTATION SERVICE AGREEMENT NOTICES TO SHIPPER

Operational Notices Supply Coordinator: Office Fax: Office Telephone: Business E-Mail Address:

GAS SERVICES DIVISION

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**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25887**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>	
	Other Notices _____ Marketing Representative: _____	All
	Office Fax: _____ Office Telephone: _____	
	Business E-Mail Address: _____ Business Mailing Address: _____	
	Operational Notices Employee Name: _____ NOTICES TO END-USER	Office
	Fax: _____ Office Telephone: _____	
	Business E-Mail Address: _____ Office Fax: _____	
	All Other Notices Employee Name: _____ Office Telephone: _____	
	Business E-Mail Address: _____ Business Mailing Address: _____	
	INDEX FOR SHIPPER CASH-OUT	
	CALCULATIONS Applicable Monthly Index: _____	
	Applicable Index Adder or WACOG: _____	Applicable
	Daily Index: _____	
	ACKNOWLEDGEMENTS Signature of Shipper: _____	
	_____ Date of Execution by Shipper: _____	Signature of
	End-User: _____	
	_____ Date of Execution by End-User: _____	

Tnspt Terms T-76 A

**CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76**

**1. APPLICABILITY** 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76

**2. DEFINITIONS** 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 25887

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

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**CURRENT RATE COMPONENT**

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	<p>agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76                      Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 25887**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
150	D	MMBtu	\$.0000	07/01/2014	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 34368 IINFINITE ENERGY					
55670	D	MMBtu	\$.0000	02/01/2013	N
<b>DESCRIPTION:</b> SUGAR LAND, INC.					
Customer 34368 IINFINITE ENERGY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26046**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 03/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33495	NORTH STAR GAS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26046

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: right;">Page 1 of 2</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____                      _____ Shipper's                      Physical Business Address: _____ Shipper's Email Billing Address: _____                      _____                      Note: Bills are rendered via E-mail and are due and payable                      when E-mail is sent by Company. _____ Shipper's Business Email Address: _____                      _____ GENERAL INFORMATION Term of Service                      Begin Date: _____ End Date: _____                      _____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26046

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26046

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 26046

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the

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**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26046

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
Tnspt Terms T-69 B	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

## GAS SERVICES DIVISION

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the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have

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**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

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**CURRENT RATE COMPONENT**

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">Overage</td> <td style="width: 25%; text-align: center;">Underage</td> <td style="width: 25%;"></td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Following</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Percentage of</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">Out Price From 0% to 5%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">15%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">120% From 10% to</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>		Overage	Underage		Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following	Percentage of the Cash-	Company the Following	Cash-Out Price	Percentage of	100%	100% From 5% to 10%	Out Price From 0% to 5%	120% From 10% to	15%	70%	80%	60%	140%	50%	150%	120% From 10% to	Greater than 20%	130%	60%	120% From 10% to	15%	130%	60%	120% From 10% to	140%	50%	150%	120% From 10% to	Greater than 20%	130%	60%	120% From 10% to
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GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012 Terms &amp; Conditions</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26046**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	03/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	33495	NORTH STAR GAS			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26098**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 09/01/2012                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34371	CENTERPOINT ENERGY SERVICES	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26098

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>when E-mail is sent by Company. _____ Note: Bills are rendered via E-mail and are due and payable Shipper's Business Email Address: _____</p> <p>Begin Date: _____ GENERAL INFORMATION Term of Service End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26098

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of



GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26098

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26098

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p>
<p>Tnspt Terms T-69 B</p>	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26098
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the</p>

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26098

**CURRENT RATE COMPONENT**

RATE COMP. ID	DESCRIPTION																																
	<p>beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 871 511 934">Imbalance Level</th> <th data-bbox="511 871 885 934">The Company Pays Shipper the</th> <th data-bbox="885 871 1258 934">Shipper Pays the</th> <th data-bbox="1258 871 1502 934">Overage</th> </tr> <tr> <th data-bbox="284 934 511 997">Percentage of the Cash-</th> <th data-bbox="511 934 885 997">Company the Following</th> <th data-bbox="885 934 1258 997">Cash-Out Price</th> <th data-bbox="1258 934 1502 997">Underage</th> </tr> <tr> <th data-bbox="284 997 511 1018"></th> <th data-bbox="511 997 885 1018"></th> <th data-bbox="885 997 1258 1018">Out Price From 0% to 5%</th> <th data-bbox="1258 997 1502 1018">Following</th> </tr> <tr> <th data-bbox="284 1018 511 1039"></th> <th data-bbox="511 1018 885 1039"></th> <th data-bbox="885 1018 1258 1039"></th> <th data-bbox="1258 1018 1502 1039">Percentage of</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 1039 511 1060">100%</td> <td data-bbox="511 1039 885 1060">100%</td> <td data-bbox="885 1039 1258 1060">80%</td> <td data-bbox="1258 1039 1502 1060">120%</td> </tr> <tr> <td data-bbox="284 1060 511 1081">15%</td> <td data-bbox="511 1060 885 1081">70%</td> <td data-bbox="885 1060 1258 1081">60%</td> <td data-bbox="1258 1060 1502 1081">From 10% to</td> </tr> <tr> <td data-bbox="284 1081 511 1102">140%</td> <td data-bbox="511 1081 885 1102">50%</td> <td data-bbox="885 1081 1258 1102">150%</td> <td data-bbox="1258 1081 1502 1102">12.7.2 In the event of an Overage, the Cash Out</td> </tr> <tr> <td data-bbox="284 1102 511 1123">Greater than 20%</td> <td data-bbox="511 1102 885 1123"></td> <td data-bbox="885 1102 1258 1123"></td> <td data-bbox="1258 1102 1502 1123">Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index</td> </tr> </tbody> </table> <p>plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage	Percentage of the Cash-	Company the Following	Cash-Out Price	Underage			Out Price From 0% to 5%	Following				Percentage of	100%	100%	80%	120%	15%	70%	60%	From 10% to	140%	50%	150%	12.7.2 In the event of an Overage, the Cash Out	Greater than 20%			Price shall be the Cash-out Index specified in the Agreement. 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Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage																														
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26098

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26098**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms & Conditions Replaces Revised T-69                      Effective 06-01-2012                      Terms & Conditions

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	09/01/2012	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	34371	CENTERPOINT ENERGY SERVICES			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

The parties are affiliated.

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26293**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 07/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34599	ENERGY TRANSFER COMPANY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 26293**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>_____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26293

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26293

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p>3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26293

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26293

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-69 B	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p> <p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26293

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																														
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0"> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Overage</td> <td style="text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Following</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">Percentage of</td> </tr> <tr> <td style="text-align: center;">15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index</td> </tr> </table> <p>plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Overage	Underage	Percentage of the Cash-	Company the Following	Cash-Out Price	Cash-Out Price	Following	100%	100% From 5% to 10%	From 0% to 5%	From 0% to 5%	Percentage of	15%	70%	80%	60%	120% From 10% to	140%	Greater than 20%	130% From 15% to 20%	150%	12.7.2 In the event of an Overage, the Cash Out	140%	Greater than 20%	50%	150%	Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26293

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69                      Effective 06-01-2012                      Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26293

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	07/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 34599 ENERGY TRANSFER COMPANY					
150	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 34599 ENERGY TRANSFER COMPANY					
55673	D	MMBtu	\$.0000	08/01/2013	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 34599 ENERGY TRANSFER COMPANY					
68838	D	MMBtu	\$.0000	02/01/2014	N
<b>DESCRIPTION:</b> BARRETT'S SETTLEMENT, ENVIRONS					
Customer 34599 ENERGY TRANSFER COMPANY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26294**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 10/02/2014

**INITIAL SERVICE DATE:** 07/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Effective 9/1/14: Add Delivery Point - Pasadena Env and Houston Env to this tariff

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34600	TWIN EAGLE RESOURCE MANAGEMENT	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26294
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-76 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26294
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
<p>Tnspt Terms T-76 B</p>	<p>Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26294

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to</p>



GAS SERVICES DIVISION

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																					
	<p>nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%;"></td> </tr> <tr> <td>Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> </tr> <tr> <td>Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td>Percentage of the Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination</p>		Overage		Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-		Out Price From 0% to 5%	100%	100% From 5% to 10%	80%	120% From 10% to 15%	70%	130% From 15% to 20%	140% Greater than 20%	50%	150%
	Overage																					
Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the																				
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100%	100% From 5% to 10%	80%																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26294

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>
PSIF-9	<p>PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26294

CURRENT RATE COMPONENT

RATE COMP. ID DESCRIPTION

T-76 AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT SHIPPER INFORMATION Name of Shipper: Shipper's Dunn's

Number: Shipper's Physical Business Address: Shipper's Email Billing Address: Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. Shipper's Business Email Address: GENERAL INFORMATION Term of Service Begin Date: End Date: Evergreen: Yes or No Period of Evergreen: 1 Year, 2 Years, etc.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26294

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical Service (Business) Address: _____</p> <p>End-User Facility Contact for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____</p> <p>Applicable Index Adder or WACOG: _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____</p> <p>Date of Execution by Shipper: _____</p> <p>Signature of End-User: _____</p> <p>Date of Execution by End-User: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26294**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
55673	D	MMBTu	\$ .0000	08/01/2013	N
<b>DESCRIPTION:</b> BAYTOWN, ENVIRONS					
Customer 34600 TWIN EAGLE RESOURCE MANAGEMENT					
55679	D	MMBTU	\$ .0000	09/01/2014	N
<b>DESCRIPTION:</b> PASADENA, ENVIRONS					
Customer 34600 TWIN EAGLE RESOURCE MANAGEMENT					
77073	D	MMBTu	\$ .0000	08/01/2014	N
<b>DESCRIPTION:</b> PEARLAND, INC.					
Customer 34600 TWIN EAGLE RESOURCE MANAGEMENT					
149	D	MMBTu	\$ .0000	07/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer 34600 TWIN EAGLE RESOURCE MANAGEMENT					
150	D	MMBTu	\$ .0000	09/01/2014	N
<b>DESCRIPTION:</b> HOUSTON, ENVIRONS					
Customer 34600 TWIN EAGLE RESOURCE MANAGEMENT					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26370**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 10/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34599	ENERGY TRANSFER COMPANY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26370

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-65	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Physical Business Address: _____</p> <p>Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p>Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26370

CURRENT RATE COMPONENT

Table with columns RATE COMP. ID and DESCRIPTION. Includes sections for Period of Evergreen, Facility Information, Service (Business) Address, Delivery Information, Operational Notices, and ACKNOWLEDGEMENTS.



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26370

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such</p>

GAS SERVICES DIVISION  
 GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26370

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p>
Tnspt Terms T-65 B	<p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26370
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**CURRENT RATE COMPONENT**

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26370

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																					
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">Overage</td> <td style="width: 33%; text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">the Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-Out Price</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td style="text-align: center;">10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">100% From 5% to</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date</p>		Overage	Underage	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	100% From 5% to	130% From 15% to 20%	60%	70%	50%	150%	140% Greater than 20%
	Overage	Underage																				
Imbalance Level	The Company Pays Shipper the	Shipper Pays																				
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Percentage of the Cash-Out Price	From 0% to 5%	100%																				
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26370

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>(the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26370

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
23	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> BEAUMONT, INC.					
Customer 34599 ENERGY TRANSFER COMPANY					
359	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> TYLER, INC.					
Customer 34599 ENERGY TRANSFER COMPANY					
42999	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> JASPER, INC.					
Customer 34599 ENERGY TRANSFER COMPANY					
43030	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> TYLER, ENVIRONS					
Customer 34599 ENERGY TRANSFER COMPANY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26371**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 10/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34599	ENERGY TRANSFER COMPANY	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26371

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-76	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A      TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2      SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">Shipper's Email Billing Address: _____</p> <p style="text-align: center;">Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">Begin Date: _____ GENERAL INFORMATION Term of Service _____</p> <p style="text-align: center;">_____ End Date: _____</p> <p style="text-align: right;">Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26371

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____</p> <p>_____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____</p> <p>_____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26371

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-76 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-76</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

GAS SERVICES DIVISION

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<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

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	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p> <p>Tnspt Terms T-76 B Continuation from Tnspt Terms T-76 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-76 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company provides to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26371
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>															
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th>Underage Imbalance Level</th> <th>The Company Pays Shipper the Following Percentage of the Cash-</th> <th>Shipper Pays the Cash-Out Price</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>0%</td> </tr> <tr> <td>120%</td> <td>70%</td> <td>5%</td> </tr> <tr> <td>140%</td> <td>50%</td> <td>10%</td> </tr> <tr> <td>Greater than 20%</td> <td>30%</td> <td>15%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than</p>	Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Cash-Out Price	100%	100%	0%	120%	70%	5%	140%	50%	10%	Greater than 20%	30%	15%
Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Cash-Out Price														
100%	100%	0%														
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26371

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-76 Terms &amp; Conditions Replaces Revised T-76 Effective 06-01-2012</p>

Terms & Conditions



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26371**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	12/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
Customer      34599                      ENERGY TRANSFER COMPANY					
68838	D	MMBtu	\$.0000	02/01/2014	N
<b>DESCRIPTION:</b> BARRETT'S SETTLEMENT, ENVIRONS					
Customer      34599                      ENERGY TRANSFER COMPANY					
73140	D	MMBtu	\$.0000	10/01/2013	N
<b>DESCRIPTION:</b> KATY, INC.					
Customer      34599                      ENERGY TRANSFER COMPANY					

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26396**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 11/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
33145	CIMA ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26396

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-72	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p style="text-align: center;">_____ Shipper's Physical Business Address: _____</p> <p style="text-align: center;">_____ Shipper's Email Billing Address: _____</p> <p style="text-align: center;">_____ Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p style="text-align: center;">_____ GENERAL INFORMATION Term of Service</p> <p style="text-align: center;">Begin Date: _____ End Date: _____</p> <p style="text-align: center;">_____ Evergreen: Yes or No</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26396

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User _____</p> <p>_____ End-User Dunn's Number: _____ End-User Physical _____</p> <p>Service (Business) Address: _____ End-User Facility Contact _____</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER _____</p> <p>Operational Notices Employee Name: _____ Office _____</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ Applicable _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ Signature of _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26396

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-72 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</p> <p>1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72</p> <p>2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtu which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26396
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of</p>

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

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	<p>days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72      Effective 06-01-2012 Terms &amp; Conditions</p>
<p>Tnspt Terms T-72 B</p>	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

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RATE COMP. IDDESCRIPTION

chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26396

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																
	<p>obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th data-bbox="284 619 487 703">Imbalance Level Percentage of the Cash-</th> <th data-bbox="487 619 893 703">The Company Pays Shipper the Company the Following</th> <th data-bbox="893 619 1218 703">Shipper Pays the Cash-Out Price</th> <th data-bbox="1218 619 1502 703">Overage Underage Following Percentage of the</th> </tr> </thead> <tbody> <tr> <td data-bbox="284 703 487 745">100%</td> <td data-bbox="487 703 893 745">100% From 5% to 10%</td> <td data-bbox="893 703 1218 745">80%</td> <td data-bbox="1218 703 1502 745">120% From 10% to 15%</td> </tr> <tr> <td data-bbox="284 745 487 787">140%</td> <td data-bbox="487 745 893 787">70%</td> <td data-bbox="893 745 1218 787">130% From 15% to 20%</td> <td data-bbox="1218 745 1502 787">60%</td> </tr> <tr> <td data-bbox="284 787 487 829">Greater than 20%</td> <td data-bbox="487 787 893 829">50%</td> <td data-bbox="893 787 1218 829">150%</td> <td data-bbox="1218 787 1502 829">12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. 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In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. 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Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall														

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26396

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26396**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	11/01/2013	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	33145	CIMA ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26397**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 11/01/2013                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34599	ENERGY TRANSFER COMPANY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26397

CURRENT RATE COMPONENT

Table with 2 columns: RATE COMP. ID and DESCRIPTION. Includes entries for PSIF-9 and T-75 with detailed descriptions of pipeline safety fees and gas availability terms.

Page 1 of 2 EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT SHIPPER INFORMATION Name of Shipper: Shipper's Dunn's

Number: Shipper's Physical Business Address: Shipper's Email Billing Address:

Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. Shipper's Business Email Address: GENERAL INFORMATION Term of Service

Begin Date: End Date: Evergreen: Yes or No

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26397

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	Period of Evergreen: 1 Year, 2 Years, etc. _____ Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____ Facility Information End-User Business Name: _____ End-User _____ End-User Dunn's Number: _____ End-User Physical Service (Business) Address: _____ End-User Facility Contact for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____ Receipt Point(s): _____ _____ _____ Quantities: MDQ (in MMBtu/day) _____ Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____ _____ E-Mail Address: _____ _____ EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER Operational Notices Supply Coordinator: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Marketing Representative: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ NOTICES TO END-USER Operational Notices Employee Name: _____ Office Fax: _____ Office Telephone: _____ Business E-Mail Address: _____ All Other Notices Employee Name: _____ Office Fax: _____ _____ Office Telephone: _____ Business E-Mail Address: _____ Business Mailing Address: _____ _____ INDEX FOR SHIPPER CASH-OUT CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____ _____ Applicable Daily Index: _____ ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____ _____ Signature of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 26397**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	End-User: _____ Date of Execution by End-User: _____
Tnspt Terms T-75 A	<p><b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75</b></p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26397
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26397

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012      Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26397

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																																																																																																																																																																											
	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">The Company Pays Shipper the</td> <td style="width: 33%; text-align: center;">Shipper Pays the</td> </tr> <tr> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> </tr> <tr> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">Out Price From 0% to 5%</td> </tr> <tr> <td style="text-align: center;">Percentage of the Cash-</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">120% From 10%</td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">From 5% to 10%</td> <td style="text-align: center;">80%</td> </tr> <tr> <td style="text-align: center;">to 15%</td> <td style="text-align: center;">130%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140%</td> <td style="text-align: center;">From 15% to 20%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out</td> </tr> <tr> <td style="text-align: center;">Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">Price shall be the Cash-out Index specified in the Agreement. 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ASSURANCE OF PERFORMANCE If Company has commercially</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;">and for the term reasonably acceptable to Company. 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		reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or																																																																																																																																																																										
		not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its																																																																																																																																																																										
		guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of																																																																																																																																																																										
		Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount																																																																																																																																																																										
		and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish																																																																																																																																																																										
		credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a																																																																																																																																																																										
		security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to																																																																																																																																																																										
		Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its																																																																																																																																																																										
		guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise																																																																																																																																																																										
		commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection																																																																																																																																																																										
		of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however																																																																																																																																																																										
		evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian,																																																																																																																																																																										
		trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the																																																																																																																																																																										
		Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of																																																																																																																																																																										
		Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not																																																																																																																																																																										
		have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is																																																																																																																																																																										
		due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity																																																																																																																																																																										
		and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all																																																																																																																																																																										
		the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is																																																																																																																																																																										
		materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall																																																																																																																																																																										
		have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to																																																																																																																																																																										
		terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs,																																																																																																																																																																										
		counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall																																																																																																																																																																										
		have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days																																																																																																																																																																										

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26397

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26397**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
96	D	MMBtu	\$.0000	11/01/2013	N
<b>DESCRIPTION:</b> EL CAMPO, ENVIRONS					
<b>Customer</b>	34599	ENERGY TRANSFER COMPANY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26533**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 01/01/2014                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34820	APACHE NATURAL GAS TRANSPORTATION FUELS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263**                      **COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT**                      **RRC TARIFF NO: 26533**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-75	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 28, 2009 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported.</p> <p>DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book.</p> <p>NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00; plus (ii) First 750 MMBtu @ \$0.97 per MMBtu; Over 750 MMBtu @ \$0.57 per MMBtu; plus (iii) Capacity Charge @ \$0.045 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station.</p> <p>PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement.</p> <p>OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances.</p> <p>BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company.</p> <p>NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq.</p> <p>WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires.</p> <p>CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise).</p> <p>MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms.</p> <p>GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>

EXHIBIT A                                      TO TRANSPORTATION SERVICE AGREEMENT

Page 1 of 2                                      SHIPPER INFORMATION Name of Shipper: \_\_\_\_\_ Shipper's Dunn's

Number: \_\_\_\_\_ Shipper's Physical Business Address: \_\_\_\_\_

Shipper's Email Billing Address: \_\_\_\_\_

Note: Bills are rendered via E-mail and are due and payable

when E-mail is sent by Company. \_\_\_\_\_ Shipper's Business Email Address: \_\_\_\_\_

GENERAL INFORMATION Term of Service

Begin Date: \_\_\_\_\_ End Date: \_\_\_\_\_

Evergreen: Yes or No

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26533

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Period of Evergreen: 1 Year, 2 Years, etc.</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule:</p> <p>Facility Information End-User Business Name: _____ End-User</p> <p>_____ End-User Dunn's Number: _____ End-User Physical</p> <p>Service (Business) Address: _____ End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____ Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>_____</p> <p>_____ Quantities: MDQ (in MMBtu/day)</p> <p>Upstream Pipeline Contact for Confirmations Name: _____ Office Telephone: _____ Office Fax: _____</p> <p>_____ E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ All</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>_____ NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____ Office</p> <p>Fax: _____ Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>All Other Notices Employee Name: _____ Office Fax: _____</p> <p>_____ Office Telephone: _____</p> <p>Business E-Mail Address: _____ Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____ Applicable Index Adder or WACOG: _____</p> <p>_____ Applicable</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____ Date of Execution by Shipper: _____</p> <p>_____ Signature of _____</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 26533

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
Tnspt Terms T-75 A	<p>End-User: _____ Date of Execution by End-User: _____</p> <p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-75 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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	<p>substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in</p>

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	<p>effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012 Terms &amp; Conditions</p>
Tnspt Terms T-75 B	<p>Continuation from Tnspt Terms T-75 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-75 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company provides to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for</p>

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	<p>the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have</p>

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	<p>received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <thead> <tr> <th>Underage Imbalance Level</th> <th>The Company Pays Shipper the Following Percentage of the Cash-</th> <th>Shipper Pays the Company the Following</th> <th>Cash-Out Price</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td>100%</td> <td>From 5% to 10%</td> <td>80%</td> </tr> <tr> <td>70%</td> <td>140%</td> <td>From 15% to 20%</td> <td>60%</td> </tr> <tr> <td>50%</td> <td>Greater than 20%</td> <td>150%</td> <td>120%</td> </tr> </tbody> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days</p>	Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Company the Following	Cash-Out Price	100%	100%	From 5% to 10%	80%	70%	140%	From 15% to 20%	60%	50%	Greater than 20%	150%	120%
Underage Imbalance Level	The Company Pays Shipper the Following Percentage of the Cash-	Shipper Pays the Company the Following	Cash-Out Price														
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<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26533
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-75 Terms &amp; Conditions Replaces Revised T-75 Effective 06-01-2012</p>

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26533**

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
55674	D	MMBtu	\$.0000	01/01/2014	N
<b>DESCRIPTION:</b> EL CAMPO, INC.					
<b>Customer</b>	34820	APACHE NATURAL GAS TRANSPORTATION FUELS			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26534**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A  
**OPERATOR NO:**  
**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014  
**INITIAL SERVICE DATE:** 01/01/2014                      **TERM OF CONTRACT DATE:**  
**INACTIVE DATE:**                      **AMENDMENT DATE:**  
**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**  
**CITY ORDINANCE NO:**  
**AMENDMENT(EXPLAIN):** None  
**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34599	ENERGY TRANSFER COMPANY	N	



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26534
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-89 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-89</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-89</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 10 Mcf per day but less than 50 Mcf per day; and (d) the natural gas redelivered is for ultimate distribution by the End-use Customer on its natural gas distribution system. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 26534

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company.

3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria.

4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT

4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper.

5. SCHEDULING AND NOMINATIONS

5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Business Day the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26534

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service.</p>
<p>Tnspt Terms T-89 B</p>	<p>Continuation from Tnspt Terms T-89 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-89 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries at low fixed pressure \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26534

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges,</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																												
	<p>and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances</p> <p>12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;"></td> <td style="width: 25%; text-align: center;">The Company Pays Shipper the</td> <td style="width: 25%; text-align: center;">Shipper Pays the</td> <td style="width: 25%;"></td> </tr> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Underage</td> </tr> <tr> <td style="text-align: center;">Out Price</td> <td style="text-align: center;">Percentage of the Cash</td> <td style="text-align: center;">Cash-</td> <td style="text-align: center;">Cash-</td> </tr> <tr> <td style="text-align: center;">-Out Price From 0% to 5%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">00% From 5%</td> </tr> <tr> <td style="text-align: center;">to 10%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">120% From 10% to 15%</td> <td style="text-align: center;">150%</td> </tr> <tr> <td style="text-align: center;">70%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">12.7.2 In the event of an</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td></td> <td></td> <td></td> </tr> </table> <p>Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall</p>		The Company Pays Shipper the	Shipper Pays the		Imbalance Level	Following Percentage of the	Company the Following	Underage	Out Price	Percentage of the Cash	Cash-	Cash-	-Out Price From 0% to 5%	80%	100%	00% From 5%	to 10%	130% From 15% to 20%	120% From 10% to 15%	150%	70%	50%	60%	12.7.2 In the event of an	140% Greater than 20%			
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure.</p>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-89	CENTERPOINT ENERGY ENTEX TRANSPORTATION SERVICE RATE SCHEDULE NO. T-89 AVAILABILITY Service

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26534

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after November 1, 2013 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$200.00 (ii) First 750 MMBtu @ \$1.15 per MMBtu; Over 750 MMBtu @ \$0.75 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
86725	D	MMBtu	\$.0000	01/01/2014	N
<b>DESCRIPTION:</b> BEACH CITY, ENVIRONS					
<b>Customer</b>	34599	ENERGY TRANSFER COMPANY			

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26534**

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26632**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 04/23/2014

**INITIAL SERVICE DATE:** 02/01/2014                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** Add Pipeline Safety Inspection Fee

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
24864	TGLO	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26632
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
PSIF-9	PIPELINE SAFETY INSPECTION FEE Pipeline Safety Inspection Fee pursuant to Texas Utilities Code 121.211. The 2014 Pipeline Safety Fee is a one-time customer charge per bill of \$1.04, based on \$1.00 per service line. Collected from April 1, 2014 to April 30, 2014.
T-87	<p><b>CENTERPOINT ENERGY ENTEX TRANSPORTATION SERVICE RATE SCHEDULE NO. T-87 AVAILABILITY</b> Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. <b>APPLICATION</b> This Rate Schedule is applicable to gas transportation service, where (a) a written Transportation Service Agreement and Exhibit A (hereinafter Agreement) have been executed between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point or Delivery Points, as defined in the contract contemplated hereby, on the campus of a state-owned entity that is eligible to purchase State Royalty Gas; and (d) Company does not take title to or own the gas so transported. <b>DEFINITIONS</b> For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. <b>NET MONTHLY RATE</b> The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) a rate per MMBtu for all gas transported to the facilities of an End-user Customer at the campus(es) during a billing period equal to the sum of: First 30,000 MMBtu @ \$13,600.00 Over 30,000 MMBtu @ \$0.10 per MMBtu; plus (ii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. <b>EQUIVALENT QUANTITY OF NATURAL GAS</b> The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. <b>PAYMENTS TO GOVERNMENTAL AUTHORITIES</b> In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. <b>OTHER CHARGES</b> Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. <b>BILLING AND PAYMENT</b> Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. <b>NATURAL GAS ACT</b> Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C.Section717 et seq. <b>WRITTEN SERVICE AGREEMENT</b> Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. <b>CURTAILMENT</b> In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). <b>MEASUREMENT</b> The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. <b>GENERAL TERMS AND CONDITIONS</b> Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p>Tnspt Terms T-87 A  <b>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-87</b>  <b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-87  <b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 26632

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) the campus or campuses of a state-owned entity that is eligible to purchase state royalty gas where all facilities are situated in close geographic proximity and served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of the combined campuses will be, based on Company's best estimate, a minimum of 1,000 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such campus or campuses and not for resale or sharing with others. 2.10 The term End-use Customer shall mean state-owned facilities eligible to purchase state royalty gas and receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term State Royalty Gas shall mean natural gas produced on state lands or in state waters, which represents royalties due to the State of Texas, and which the State of Texas through the Commissioner of the Texas General Land Office, has the right to take in kind. 2.23 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26632

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26632
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-87 B	<p>service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service.</p> <p>Continuation from Tnspt Terms T-87 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-87 11. FACILITIES 11.1 For any Exhibit A effective on or after September 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Upon execution of the Agreement, Company shall install telemetry equipment of standard make and manufacture on all meters at the campus facilities using, based on Company's best estimate, 2,500 Mcf or more on an annual basis to determine hourly and daily flow of gas at the Receipt Point, provided that if no campus meter uses at least 2,500 Mcf or more on an annual basis, Company shall install telemetry equipment of standard make and manufacture on the meter at the campus facilities flowing the largest amount of natural gas during the immediately preceding twelve month period. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.1.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.1.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.1.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.1.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.1.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month 11.2 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.3 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 26632
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																								
	<p>per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of the applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1"> <tr> <td style="text-align: center;">Overage</td> <td style="text-align: center;">Underage Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> </tr> <tr> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Following Percentage of the</td> <td style="text-align: center;">Company the Following</td> </tr> <tr> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Percentage of the Cash-</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">Out Price</td> <td></td> </tr> <tr> <td style="text-align: center;">to 10%</td> <td style="text-align: center;">From 0% to 5%</td> <td style="text-align: center;">100%</td> </tr> <tr> <td></td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to 15%</td> </tr> <tr> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> <td style="text-align: center;">70%</td> </tr> <tr> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">140% Greater than 20%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as</p>	Overage	Underage Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following Percentage of the	Company the Following	Cash-Out Price	Percentage of the Cash-			Out Price		to 10%	From 0% to 5%	100%		80%	120% From 10% to 15%	130% From 15% to 20%	60%	70%	50%	150%	140% Greater than 20%
Overage	Underage Imbalance Level	The Company Pays Shipper the																							
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	Out Price																								
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 26632

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper on or before the 15th day of each month (Billing Date) for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 26632

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure.</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$ .0000	02/01/2014	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	24864	TGLO			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	



**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 26632**

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 27005**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A  
**OPERATOR NO:**  
**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 08/21/2014  
**INITIAL SERVICE DATE:** 07/01/2014                      **TERM OF CONTRACT DATE:**  
**INACTIVE DATE:**                      **AMENDMENT DATE:**  
**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** Y                      **RRC DOCKET NO:**  
**CITY ORDINANCE NO:**  
**AMENDMENT(EXPLAIN):** None  
**OTHER(EXPLAIN):** None

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34600	TWIN EAGLE RESOURCE MANAGEMENT	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 27005

CURRENT RATE COMPONENT

RATE COMP. ID DESCRIPTION

T-65 AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book. APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after May 31, 2004 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$500.00 (ii) First 3,000 MMBtu @ \$0.50 per MMBtu; Next 3,000 MMBtu @ \$0.25 per MMBtu; Over 6,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.

EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT
Page 1 of 2 SHIPPER INFORMATION Name of Shipper: Shipper's Dunn's
Number: Shipper's Physical Business Address:
Shipper's Email Billing Address:
Note: Bills are rendered via E-mail and are due and payable
when E-mail is sent by Company. Shipper's Business Email Address:
GENERAL INFORMATION Term of Service
Begin Date: End Date:
Evergreen: Yes or No
Period of Evergreen: 1 Year, 2 Years, etc.

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 27005

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical Service (Business) Address: _____</p> <p>End-User Facility Contact for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____</p> <p>Applicable Index Adder or WACOG: _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____</p> <p>Date of Execution by Shipper: _____</p> <p>Signature of End-User: _____</p> <p>Date of Execution by End-User: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27005
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-65 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-65</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 27005

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend a renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telex number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telex number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 27005**

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-65 B	<p>Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012 Terms &amp; Conditions</p> <p>Continuation from Tnspt Terms T-65 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-65 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation</p>

GAS SERVICES DIVISION  
GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 27005

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27005
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																		
	<p>nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0" style="width:100%"> <tr> <td style="width:30%; text-align:center">Imbalance Level</td> <td style="width:30%; text-align:center">The Company Pays Shipper the</td> <td style="width:30%; text-align:center">Shipper Pays</td> </tr> <tr> <td style="text-align:center">Percentage of the</td> <td style="text-align:center">the Company the Following</td> <td style="text-align:center">Cash-Out Price</td> </tr> <tr> <td style="text-align:center">Percentage of the Cash-Out Price</td> <td style="text-align:center">From 0% to 5%</td> <td style="text-align:center">100%</td> </tr> <tr> <td style="text-align:center">10%</td> <td style="text-align:center">80%</td> <td style="text-align:center">120% From 10% to 15%</td> </tr> <tr> <td style="text-align:center">130% From 15% to 20%</td> <td style="text-align:center">60%</td> <td style="text-align:center">140% Greater than 20%</td> </tr> <tr> <td style="text-align:center">50%</td> <td style="text-align:center">150%</td> <td style="text-align:center">70%</td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays	Percentage of the	the Company the Following	Cash-Out Price	Percentage of the Cash-Out Price	From 0% to 5%	100%	10%	80%	120% From 10% to 15%	130% From 15% to 20%	60%	140% Greater than 20%	50%	150%	70%
Imbalance Level	The Company Pays Shipper the	Shipper Pays																	
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 27005

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MEJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-65 Terms &amp; Conditions Replaces Revised T-65 Effective 06-01-2012</p> <p style="text-align: center;">Terms &amp; Conditions</p>

**RATE ADJUSTMENT PROVISIONS:**

None

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 27005**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
42989	D	MMBtu	\$.0000	07/01/2014	N
<b>DESCRIPTION:</b> GLADEWATER, INC.					
<b>Customer</b>	34600	TWIN EAGLE RESOURCE MANAGEMENT			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 27006**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A  
**OPERATOR NO:**  
**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 09/17/2014  
**INITIAL SERVICE DATE:** 07/01/2014                      **TERM OF CONTRACT DATE:**  
**INACTIVE DATE:**                      **AMENDMENT DATE:**  
**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** N                      **RRC DOCKET NO:**  
**CITY ORDINANCE NO:**  
**AMENDMENT(EXPLAIN):** None  
**OTHER(EXPLAIN):** Refiling with the right upload file

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
34368	IINFINITE ENERGY	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27006
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-72 B	<p>Continuation from Tnspt Terms T-72 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72</p> <p><b>11. FACILITIES</b></p> <p>11.1 For any Exhibit A effective prior to June 1, 2012:</p> <p>11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry.</p> <p>11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2 For any Exhibit A effective on or after June 1, 2012:</p> <p>11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetering is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point.</p> <p>11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point.</p> <p>11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read.</p> <p>11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule.</p> <p>11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A:</p> <p>11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or</p> <p>11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation redeliveries with pressure instrumentation \$75.00 per meter per month</p> <p>11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer.</p> <p>11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service.</p> <p><b>12. BALANCING</b></p> <p>12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply.</p> <p>12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical.</p> <p>12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances.</p> <p>12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply.</p> <p>12.5 Daily Imbalances During Critical Period Events</p> <p>12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers.</p> <p>12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 27006

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																								
	<p>of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Imbalance Level</th> <th style="text-align: center;">The Company Pays Shipper the</th> <th style="text-align: center;">Shipper Pays the</th> <th style="text-align: center;">Following</th> </tr> <tr> <th style="text-align: left;">Percentage of the Cash-</th> <th style="text-align: center;">Company the Following</th> <th style="text-align: center;">Cash-Out Price</th> <th style="text-align: center;">Percentage of the</th> </tr> <tr> <th style="text-align: left;"></th> <th style="text-align: center;"></th> <th style="text-align: center;">Out Price From 0% to 5%</th> <th style="text-align: center;">Underage</th> </tr> </thead> <tbody> <tr> <td style="text-align: left;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to 15%</td> </tr> <tr> <td style="text-align: left;">140%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: left;">Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td style="text-align: center;">12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. 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## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 27006

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination of all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY,

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 27006

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
T-72	<p>SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72 Effective 06-01-2012 Terms &amp; Conditions</p> <p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after February 29, 2008 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Capacity Charge @ \$0.065 per MMBtu; plus (iv) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms.</p> <p>EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or</p>



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RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 27006

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RATE COMP. ID	DESCRIPTION
	<p>otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 1 of 2 SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Shipper's Physical Business Address: _____</p> <p>Shipper's Email Billing Address: _____</p> <p>Note: Bills are rendered via E-mail and are due and payable when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____ Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p> <p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User</p> <p>Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical</p> <p>Service (Business) Address: _____</p> <p>End-User Facility Contact</p> <p>for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office</p> <p>Fax: _____</p> <p>E-Mail Address: _____</p> <p style="text-align: center;">EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT</p> <p style="text-align: center;">Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____ Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____ All</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 27006

CURRENT RATE COMPONENT

Table with 2 columns: RATE COMP. ID, DESCRIPTION. Includes fields for Business Mailing Address, Operational Notices Employee Name, Office Telephone, Business E-Mail Address, All Other Notices Employee Name, Office Fax, Business E-Mail Address, Business Mailing Address, INDEX FOR SHIPPER CASH-OUT, CALCULATIONS Applicable Monthly Index, Daily Index, ACKNOWLEDGEMENTS Signature of Shipper, Date of Execution by Shipper, Signature of End-User, Date of Execution by End-User.

Tnspt Terms T-72 A

CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-72 1. APPLICABILITY 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-72 2. DEFINITIONS 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s) unless otherwise specified in the Agreement or the Exhibit A. 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 50 Mcf per day but less than 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 27006

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days. 3. APPLICATION FOR SERVICE 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telexcopier number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number,</p>

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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>telecopier number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-72 Terms &amp; Conditions Replaces Revised T-72                      Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>

**RATE ADJUSTMENT PROVISIONS:**  
None

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 27006**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
149	D	MMBtu	\$.0000	07/01/2014	N
<b>DESCRIPTION:</b> HOUSTON, INC.					
<b>Customer</b>	34368	IINFINITE ENERGY			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 27108**

**DESCRIPTION:** Distribution Transportation                      **STATUS:** A

**OPERATOR NO:**

**ORIGINAL CONTRACT DATE:**                      **RECEIVED DATE:** 10/02/2014

**INITIAL SERVICE DATE:** 09/01/2014                      **TERM OF CONTRACT DATE:**

**INACTIVE DATE:**                      **AMENDMENT DATE:**

**CONTRACT COMMENT:** None

**REASONS FOR FILING**

**NEW FILING:** Y                      **RRC DOCKET NO:**

**CITY ORDINANCE NO:**

**AMENDMENT(EXPLAIN):** None

**OTHER(EXPLAIN):** None

**CUSTOMERS**

<u>CUSTOMER NO</u>	<u>CUSTOMER NAME</u>	<u>CONFIDENTIAL?</u>	<u>DELIVERY POINT</u>
31483	COKINOS	N	

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 27108

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
T-69	<p>AVAILABILITY Service under this Rate Schedule shall be available only for transportation and delivery of natural gas to an End-use Customer where natural gas is tendered for delivery to CENTERPOINT ENERGY ENTEX (herein Company) at existing city gate stations or other facilities of adequate capacity and suitable pressure in areas identified in Company's Texas Rate Book.</p> <p>APPLICATION This Rate Schedule is applicable to gas transportation service, where (a) an Exhibit A has been executed after March 31, 2005 between Company and a Shipper; (b) Shipper has arranged for delivery of natural gas to Company at a Receipt Point acceptable to Company in its sole discretion; (c) Company redelivers an equivalent quantity of gas to a Delivery Point; and (d) Company does not take title to or own the gas so transported. DEFINITIONS For definitions of terms contained in this Rate Schedule, see the General Terms and Conditions for Transportation Service (General Terms) contained in Company's Texas Rate Book. NET MONTHLY RATE The Net Monthly Rate for gas transported under this Rate Schedule for all gas transported and delivered to the facilities of an End-use Customer during a billing period shall be equal to the sum of: (i) Monthly Service Charge @ \$1,000.00; plus (ii) First 3,000 MMBtu @ \$0.40 per MMBtu; Over 3,000 MMBtu @ \$0.10 per MMBtu; plus (iii) Payments to Governmental authorities, as defined in this Rate Schedule and the General Terms. EQUIVALENT QUANTITY OF NATURAL GAS The term Equivalent Quantity of Natural Gas shall mean that quantity of natural gas which is thermally equivalent to the quantity of gas delivered or caused to be delivered by the Shipper to Company on any one day, less a quantity of natural gas equal to two percent (2%) for line loss and shrinkage when the Shipper is located downstream of a city gate meter station. No line loss or shrinkage will be retained by Company when the Shipper is located downstream of a farm tap meter station. PAYMENTS TO GOVERNMENTAL AUTHORITIES In addition to the amounts provided for above, Shipper shall reimburse Company for all Payments to Governmental Authorities paid by Company with respect to the transportation service and any other service provided under the Agreement, or which may be related to any associated facilities involved in the performance of the Agreement. If any Payment to a Governmental Authority is based upon the value of or price paid by an end-use customer receiving gas transported under the Agreement, then Shipper will notify Company of the price paid by such end-use customer to enable Company to calculate and pay all such fees and taxes to appropriate governmental authorities in a timely manner. If Shipper fails or refuses to notify Company of the purchase price of such gas within thirty (30) days from the date the related transportation service is provided, then Company will estimate the purchase price of such gas and make such payments to the governmental authority, and Company shall be reimbursed by Shipper for such amounts. In any event, Shipper will indemnify Company for, and hold Company harmless from, any and all claims, demands, losses, or expenses, including attorneys' fees, which Company may incur as a result of Shipper's failure or refusal to disclose the purchase price of gas transported under the Agreement. OTHER CHARGES Service under this Rate Schedule may be subject to additional charges as specified in the General Terms. These charges include, but are not limited to, charges related to telemetering and imbalances. BILLING AND PAYMENT Company's invoices will be based on the quantity of MMBtu delivered by Company at each Delivery Point. Such bills shall be rendered promptly after the close of each billing period and shall be paid within five (5) days after the date the invoice is rendered. Company shall have the right to bill Shipper each month on the basis of nominated quantities or estimated quantities, provided that adjustments shall be made to such quantities in subsequent months' billings based on actual quantities delivered. Past due amounts shall bear interest from the due date until paid at the rate specified in the General Terms. Upon an Event of Default, as defined in the General Terms, Company may, upon five (5) days written notice to Shipper, suspend receipt and delivery of gas until Shipper has paid all past due amounts owed Company and has made credit arrangements satisfactory to Company. NATURAL GAS ACT Company shall not be obligated to transport any gas under this schedule if such transportation would render Company, in Company's sole determination, a Natural Gas Company under the Natural Gas Act, 15 U.S.C. Section 717 et seq. WRITTEN SERVICE AGREEMENT Service under this Rate Schedule shall be available only pursuant to a written Agreement between Company and Shipper, which provides, inter alia, that Shipper agrees to the abandonment of the service contemplated hereunder by Company on the date said contract expires. CURTAILMENT In the event of curtailment by Company of Company's customers, Company shall curtail deliveries to the facilities of the End-use Customer (without any liability to Shipper for damages or otherwise) at the Delivery Point in the same manner as Company's end-use customers of the same classification based on Company's then prevailing curtailment schedule. Company shall not curtail deliveries hereunder unless such curtailment will benefit Company's higher priority customers; provided, however, if any governmental or regulatory authority having jurisdiction over Company or its curtailment plan, by rule or order, establishes some other curtailment priority schedule or plan for Company, then Company shall comply with such rule or order (without any liability to Shipper for damages or otherwise). MEASUREMENT The parties shall establish proper methods of measurement at the Receipt Point. Measurement at the Delivery Point shall be in accordance with the General Terms. Volumes received at the Receipt Point and delivered at the Delivery Point will be adjusted to reflect Company's lost and unaccounted for gas and fuel as established by the Company from time to time for the Receipt Point and Delivery Point set forth in the Agreement and the General Terms. GENERAL TERMS AND CONDITIONS Service under the Rate Schedule is furnished in accordance with the Company's General Terms and Conditions for Transportation Service, as amended from time to time.</p> <p style="text-align: right;">EXHIBIT A Page 1 of 2</p> <p>TO TRANSPORTATION SERVICE AGREEMENT</p> <p>SHIPPER INFORMATION Name of Shipper: _____ Shipper's Dunn's Number: _____</p> <p>Physical Business Address: _____ Shipper's Email Billing Address: _____</p> <p>_____</p> <p>_____ Note: Bills are rendered via E-mail and are due and payable _____</p> <p>when E-mail is sent by Company. _____ Shipper's Business Email Address: _____</p> <p>_____ GENERAL INFORMATION Term of Service</p> <p>Begin Date: _____ End Date: _____</p> <p>_____ Evergreen: Yes or No _____</p> <p>Period of Evergreen: 1 Year, 2 Years, etc. _____</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

RRC COID: 6263 COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT RRC TARIFF NO: 27108

CURRENT RATE COMPONENT

RATE COMP. ID	DESCRIPTION
	<p>Note: Shipper must provide CenterPoint with written notice canceling this Exhibit A a minimum of 30 days prior to the expiration date of this Exhibit A to avoid automatic renewal through the evergreen mechanism. Rate Schedule: _____</p> <p>End-User Facility Information End-User Business Name: _____</p> <p>End-User Dunn's Number: _____</p> <p>End-User Physical Service (Business) Address: _____</p> <p>End-User Facility Contact for Operating Information and Emergency Notices Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>Delivery Information Number of Meters Receiving Transportation Service: _____</p> <p>Delivery Point(s): _____</p> <p>Receipt Point(s): _____</p> <p>Quantities: MDQ (in MMBtu/day) _____</p> <p>Upstream Pipeline Contact for Confirmations Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>E-Mail Address: _____</p> <p>EXHIBIT A TO TRANSPORTATION SERVICE AGREEMENT Page 2 of 2 NOTICES TO SHIPPER</p> <p>Operational Notices Supply Coordinator: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Other Notices Marketing Representative: _____</p> <p>Office Fax: _____</p> <p>Office Telephone: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>NOTICES TO END-USER</p> <p>Operational Notices Employee Name: _____</p> <p>Office Telephone: _____</p> <p>Office Fax: _____</p> <p>Business E-Mail Address: _____</p> <p>Business Mailing Address: _____</p> <p>INDEX FOR SHIPPER CASH-OUT</p> <p>CALCULATIONS Applicable Monthly Index: _____</p> <p>Applicable Index Adder or WACOG: _____</p> <p>Daily Index: _____</p> <p>ACKNOWLEDGEMENTS Signature of Shipper: _____</p> <p>Date of Execution by Shipper: _____</p> <p>Signature of End-User: _____</p> <p>Date of Execution by End-User: _____</p>



GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27108
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
Tnspt Terms T-69 A	<p>CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69</p> <p><b>1. APPLICABILITY</b> 1.1 These General Terms and Conditions for Transportation Service (General Terms) apply to service requested from or provided by CENTERPOINT ENERGY ENTEX ( Company) under the following rate schedule(s): Rate Schedule T-69</p> <p><b>2. DEFINITIONS</b> 2.1 The term Agreement or Transportation Service Agreement shall mean the written agreement for transportation service between Company and the Shipper. 2.2 The term annual volume limitation or AVL means the maximum MMBtu which the Company shall be obligated to deliver during the service year consisting of twelve consecutive billing periods specified in Agreement. 2.3 The term applicable index shall be the reference price used for computation of imbalance cash outs under Section 12 as specified by Company in the Agreement tendered to Shipper pursuant to Sections 3 and 4 hereof. 2.4 The term Btu shall mean British Thermal Unit. 2.5 The term Business Day means any day except Saturday, Sunday, or Federal Reserve Bank holidays. 2.6 The term Company's applicable weighted average cost of gas shall mean the weighted average cost of gas per unit sold as billed to Company's residential and commercial customers in the same jurisdiction as the Shipper's End-use Customer(s). 2.7 The term cubic foot shall mean the volume of gas which occupies one (1) cubic foot when said gas is at a temperature of sixty degrees (60 degrees) Fahrenheit, and at a pressure of 14.65 pounds per square inch absolute. 2.8 The term day or daily shall mean a period of twenty-four (24) consecutive hours, beginning and ending as near as practicable to 9:00 a.m., Central Clock Time, at the point at which delivery of gas is made. 2.9 The term Delivery Point shall mean (a) a single facility of an End-use Consumer situated at only one location or at immediately contiguous locations served by one or more meters downstream of the Receipt Point; (b) where Company has adequate capacity; (c) where the actual consumption of such facility will be, based on Company's best estimate, at least 100 Mcf per day; and (d) the natural gas redelivered is for ultimate consumption at such facility and not for resale or sharing with others. 2.10 The term End-use Customer shall mean the person or entity who owns the facilities receiving gas redelivered by Company at the Delivery Point. 2.11 The term Exhibit A shall mean a formal written request by the Shipper to establish or amend transportation service at a specified Delivery Point. The Exhibit A (a) will contain specified information as described in Section 4 herein; (b) will require signed acknowledgement of the Shipper and the End-use Customer; and (c) will be a binding commitment and addendum to the Transportation Service Agreement by and between Shipper and Company. 2.12 The term gas or natural gas shall mean any mixture of hydrocarbons and noncombustible gases in a gaseous state consisting primarily of methane. 2.13 The term gas supply as it relates to purchased gas costs shall mean the charge for the product known as natural gas, and does not include any charges associated with delivery of the product by Company or any supplier pipeline of the Company. 2.14 The term imbalance shall mean the difference in the MMBtus of natural gas which Shipper takes at the Delivery Point and the MMBtus which Shipper provides for transportation at the Receipt Point, net of Lost and Unaccounted for Gas and Fuel, if any, specified in the Agreement. 2.15 The term Maximum Daily Quantity or MDQ shall mean the total maximum MMBtu which Company shall be obligated to receive or deliver on a firm basis on any given day on behalf of customer. 2.16 The term Maximum Hourly Quantity or MHQ shall mean the maximum MMBtu Company is obligated to deliver or receive for customer's account in any single hour. Company shall not be obligated to agree to a maximum hourly quantity greater than 1/15 of the MDQ. 2.17 The term Mcf shall mean one thousand (1,000) cubic feet of gas. The term MMBtu shall mean one million (1,000,000) Btu's. 2.18 The term month, Service Month, or monthly shall mean the period beginning at 9:00 a.m., Central Clock Time, on the first day of the calendar month and ending on to 9:00 a.m. Central Clock Time, on the first day of the next succeeding calendar month. 2.19 The terms Payments to Governmental Authorities or a Payment to a Governmental Authority, as used herein, means all taxes or fees levied upon and/or paid by Company [other than ad valorem, capital stock, income or excess profit taxes (except as provided herein)], including, but not limited to, municipal franchise fees, and street and alley rental fees set out in franchise ordinances, street crossing agreements, or licenses. Such terms also include any other taxes, fees, or charges levied, assessed, or made by any governmental authority on the revenue received by Company or the volume transported by Company under any Transportation Service Agreement, or the act, right, or privilege of selling, transporting, handling, or delivering Gas. Such taxes or fees may be based upon the quantity, volume, heat content, value, sales price of the Gas, purchase price of the Gas, transportation fee payable under any Transportation Service Agreement, and include any other fee, charge, cost reimbursement, tax reimbursement, or payment under any agreement, including any applicable federal income tax imposed as a result of the reimbursement of the cost of the installation of facilities and equipment at the Delivery Point(s) or Receipt Point(s) under the terms of the applicable Transportation Service Agreement. 2.20 The term Receipt Point shall mean the point or points specified in the Agreement where Company agrees to receive gas for transportation for the account of a Shipper. 2.21 The term Shipper shall mean the person or entity designated as the Shipper in a Transportation Service Agreement executed by Company. 2.22 The term year or service year shall mean a period of three hundred sixty-five (365) consecutive days beginning on the date specified in the Agreement for the commencement of the term of service or any anniversary thereof; provided, however, that any year which contains a date of February 29, shall consist of three hundred sixty-six (366) consecutive days.</p> <p><b>3. APPLICATION FOR SERVICE</b> 3.1 Upon request of Shipper, Company shall offer the requesting Shipper a Transportation Service Agreement in a form acceptable to Company. 3.2 Unless waived by Company, if a Shipper fails to execute and return to Company the Transportation Service Agreement which accurately reflects the Shipper's submitted request for service within ten (10) Business Days after such agreement is tendered by Company for execution, then Shipper's request and the Transportation Service Agreement shall be null and void. In all other circumstances, unless waived by Company, a Shipper's submitted request for service and Transportation Service Agreement shall be null and void if the Shipper fails to execute and return to Company the tendered Transportation Service Agreement within thirty (30) days after such has been tendered to Shipper by Company for execution. 3.3 Execution of a Transportation Service Agreement by Shipper means that Shipper agrees to abide by the terms of the Transportation Service Agreement, the terms of the applicable rate schedule(s), including these General Terms and Conditions as amended from time to time, and any other policies, rules or regulations incorporated into the Transportation Service Agreement either directly or by reference. 3.4 Shipper or potential Shipper must agree to a minimum term of one year under any Transportation Service Agreement. 3.5 Unless waived by Company, Shipper or potential Shipper must agree to bear the supply-related cost/credit shifts or additional costs/credits, if any, directly resulting from the conversion of an End-use Customer from natural gas service with Company to natural gas service with the Shipper or potential Shipper, including existing pipeline commitments, existing gas supply costs, and additional administrative costs. The Company shall maintain adequate records to demonstrate such costs and to substantiate that this result has been achieved, and shall make such information available to the Shipper upon request. Company shall provide a good faith estimate of such costs/credits based upon representations made by the Shipper as to End-use Customer usage, demand, timing and other factors upon request of the Shipper or potential Shipper. 3.6 Acceptance of a Shipper as an approved Shipper on Company's system is contingent upon a satisfactory credit</p>

## GAS SERVICES DIVISION

## GSD - 2 TARIFF REPORT

RRC COID: 6263

COMPANY NAME: CENTERPOINT ENERGY ENTEX

TARIFF CODE: DT

RRC TARIFF NO: 27108

## CURRENT RATE COMPONENT

RATE COMP. IDDESCRIPTION

appraisal by Company. 3.6.1 Company shall perform a credit appraisal, if applicable, utilizing the following information which Shipper or potential Shipper shall furnish to Company: 3.6.1.1 A copy of Shipper's most recent audited financial statements; 3.6.1.2 A copy of Shipper's most recent twelve (12) month audited financial statement Annual Report and, if applicable, SEC 10-K form; 3.6.1.3 A list of Shipper's affiliates, including parent and subsidiaries, if applicable; and 3.6.1.4 A bank reference and two trade references. The results of reference checks must show that Shipper's obligations are being paid on a reasonably prompt basis. 3.6.2 Shipper must meet the following criteria in order to be deemed satisfactory for purposes of Section 3.6: 3.6.2.1 Shipper must not be operating under any chapter of the bankruptcy laws and must not be subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any informal creditors' committee agreement. An exception can be made for a Shipper who is a debtor in possession operating under Chapter XI of the Federal U.S. Bankruptcy Act but only with adequate assurances that the bills will be paid promptly as a cost of administration under the federal court's jurisdiction. 3.6.2.2 Shipper must not be subject to pending liquidation or judicial proceedings in state or federal courts which would cause a substantial deterioration in its financial condition or which could cause a condition of insolvency or adversely affect its ability to exist as an on-going business entity. 3.6.2.3 Shipper must have no significant outstanding collection lawsuits or judgments which would jeopardize Shipper's ability to remain solvent. 3.6.3 If a Shipper or potential Shipper fails to satisfy credit criteria, it may still obtain service hereunder if it provides one of the following to Company: (a) a continuing deposit equal to a minimum of 180 days service at the requested MDQ; (b) a standby irrevocable letter of credit acceptable to Company; or (c) a guarantee by a person or another entity which does satisfy Company's credit criteria. 4. EXHIBIT A - ADDENDUM TO TRANSPORTATION SERVICE AGREEMENT 4.1 A Shipper must be approved by Company and must have executed a valid Transportation Service Agreement prior to submitting an Exhibit A requesting transportation services to a specified Delivery Point. 4.2 All approved Shippers must submit an Exhibit A for each individual End-use Customer pursuant to Section 4 hereof. An Exhibit A requesting initiation of transportation service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least thirty (30) days prior to the anticipated commencement of such transportation service. An Exhibit A requesting changes in or renewal of service to a specified End-use Customer must be executed by the Shipper and the End-use Customer and submitted to Company at least fifteen (15) days prior to the anticipated change in or renewal of such transportation service. Company shall, within ten (10) Business Days after receipt of an Exhibit A, notify the Shipper in writing, or electronically via the Internet, that the Exhibit A has been approved or is deficient. If Company deems the Exhibit A deficient, Shipper shall have the opportunity to resubmit a valid Exhibit A subject to the notification requirements as set for in this Section. 4.3 All approved Shippers must submit an Exhibit A for any of the following: 4.3.1 A request to initiate transportation service at a specified Delivery Point; 4.3.2 A request to increase the MDQ, MHQ or AVL under an existing Exhibit A Addendum to a Transportation Service Agreement; 4.3.3 A request by an existing Shipper to add new or delete existing Receipt Point(s) or Delivery Point(s) under an existing Exhibit A Addendum to a Transportation Service Agreement; or 4.3.4 A request by an existing Shipper to extend or renew an existing Exhibit A Addendum to a Transportation Service Agreement that has expired or will expire and terminate by its own terms. 4.4 An Exhibit A must be in a form acceptable to Company. Such acceptable form will be provided to the Shipper and will contain the following information: 4.4.1 Identity of Shipper - The exact legal name, identification (currently Dunn's) number, mailing and street address and the name, phone number, telex number and e-mail address of person(s) to contact regarding the service requested. If the person or entity requesting service is acting as an agent, then the exact name and address of the agent's principal and written proof of the agency must also be established. If Shipper is represented by an agent and/or asset manager, the exact name of such parties must be provided, and Shipper must keep Company apprised as to changes in the identity of such representatives; 4.4.2 Gas Quantities: 4.4.2.1 The MDQ; 4.4.2.2 The MHQ; and 4.4.2.3 The AVL; 4.4.3 The Receipt Point(s) and Delivery Point(s); 4.4.4 Term of Service - Shipper or potential Shipper must request a minimum term of one year to initiate service or add a new Receipt Point or Delivery Point; 4.4.5 Identity of End-use Customer - the name, mailing and street address and the name, phone number, telex number and e-mail address of person(s) to contact for operational and other notices; 4.4.6 Upstream Pipeline Contact Information for Confirmations 4.4.7 Indexes and Lost and Unaccounted for Gas: 4.4.7.1 Applicable Daily Index; 4.4.7.2 Applicable Alternative Daily Index; 4.4.7.3 Cash-out Index; and 4.4.7.4 Lost and Unaccounted For Gas and Fuel as a Percent of Gas Received at Receipt Point 4.4.8 Certification may be required from an approved Shipper that it has the authority to deliver gas to Company's system for transportation. 4.5 Acceptance of any Exhibit A is contingent upon a satisfactory credit appraisal by Company pursuant to Section 3 hereof. An Exhibit A requesting transportation services above and beyond the service levels contemplated in the initial or any subsequent credit appraisal will be contingent upon updated satisfactory credit appraisals by Company pursuant to Section 3 hereof. 4.6 The approved Shipper must provide a description and the proposed location of any facilities to be constructed or installed by any party affected by the proposed service. 4.7 Company shall promptly notify an approved Shipper if it cannot satisfy an otherwise valid request for transportation service due to inadequate capacity or facilities. 4.8 Company may reject any Exhibit A or limit the term of any Exhibit A requested by an approved Shipper, if Company, in its sole judgment, determines that the transportation service requested would impair the operational integrity of Company's system or adversely affect Company's existing gas purchases, sales or transportation. Company may, but shall not be required to, offer transportation service from alternate Receipt Points or at reduced MDQ, MHQ or AVL. Such alternative shall be put forth in a modified Exhibit A offered by Company to an approved Shipper. 5. SCHEDULING AND NOMINATIONS 5.1 Nominations for gas flow shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the day prior to gas flow; provided however, if a change in the nomination level is desired on a weekend or Company holiday, then nominations shall be submitted by the Shipper to Company no later than 10:00 a.m. Central Clock Time the last Business Day immediately prior to such weekend or holiday. Nominations shall be submitted via the Company's internet based nomination system. Company and the Shipper may agree on other means of submitting nominations from time to time. Nomination quantities shall be expressed in MMBtu. Company shall not be required to confirm a nomination that is: (A) inconsistent with the recently observed deliveries or projected deliveries for the Service Month; (B) higher than the MDQ specified in the Agreement for the applicable Delivery Point; or (C) not confirmed by the upstream pipeline. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number of days in the Service Month. Once a nomination is made and confirmed by Company, that nomination will remain in effect through the end of the month or until changed by Shipper. Company shall confirm the nominated volume to upstream pipeline transporting Shipper's gas to the Receipt Point. 5.2 Company will require Shipper to comply with the scheduling and nominating procedures as set forth in applicable upstream pipeline transportation tariffs and or contracts, if any. Shipper shall be liable and shall compensate

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT      **RRC TARIFF NO:** 27108

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>Company for any costs imposed upon Company as a result of Shipper's scheduling and nomination deviations or non-compliance with such scheduling and nominating procedures. 6. APPLICATION OF GENERAL TERMS AND CONDITIONS 6.1 Unless otherwise expressly stated, these General Terms apply to all Shippers, except insofar as they are changed by or are in conflict with any statute of the State of Texas, or valid final order of any court or the Railroad Commission of Texas, in which case such statute or order shall control to the extent that it is applicable to the Shipper(s) in question. Whenever possible, these General Terms shall be construed harmoniously with such laws or orders. 6.2 The use of transportation service shall constitute an agreement by the Shipper to utilize such service in accordance with the General Terms set forth herein. 6.3 These General Terms and all subsequently effective General Terms, may be abrogated, modified, or added to in whole or in part by Company and any such change in these General Terms shall become effective when filed with the Railroad Commission of Texas. 7. RECEIPT OF GAS FOR TRANSPORT 7.1 The Shipper must tender the gas for transportation hereunder at the Receipt Point specified in the Transportation Service Agreement at whatever pressure is necessary to effect redeliveries of the gas against the fluctuating working pressures maintained in Company's system at that Receipt Point from time to time. Company will not be obligated to accept any gas into such system for transportation that does not meet the quality specifications required to be met by Company's suppliers when delivering gas to Company for sales by Company. 7.2 Company will be responsible for installing and operating the necessary tap and measurement facilities at each Receipt Point necessary to receive and measure the gas delivered for transportation hereunder. If Company agrees to provide new or additional facilities to perform the services requested by Shipper then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. 8. WARRANTY OF TITLE 8.1 Shipper shall have title to and shall warrant its title to all gas delivered to Company under the Agreement, and such gas shall be delivered to Company free and clear of all liens, claims and encumbrances. Shipper shall indemnify Company against all suits, actions, debts, accounts and damages arising out of any adverse claims to, against or in respect of such gas. Shipper shall also indemnify Company and hold it harmless from and against any and all claims, actions, suits, costs, liabilities and expenses caused by or arising out of possession or presence of such gas before it is delivered into Company's facilities. 9. UNACCEPTABLE QUANTITIES 9.1 Company shall have the right to refuse to receive at any Receipt Point or to deliver at any Delivery Point any quantity of gas that Company determines, in its reasonable judgment, will adversely affect its ability to deliver gas to human needs or other service sales customers or that exceeds the available capacity of Company's facilities. 10. GAS TRANSPORTED BY COMPANY 10.1 Except as may be otherwise specified elsewhere herein, the gas shall be tendered by Shipper at the Receipt Point at the working pressures maintained from time to time by Company at such point. It is recognized that gas delivered by Company at the Delivery Point may not be the same gas that Company received at the Receipt Point, and that gas delivered at the Delivery Point will meet the quality specifications applicable to gas that Company sells on its system. Company will use its best efforts, consistent with the prudent operation of its system, to deliver gas meeting such specifications but shall not be liable in damages for failure to do so. If the gas tendered by Company fails at any time to conform to any of said specifications, then the Shipper shall notify Company of such deficiency and thereupon may, at Shipper's option, refuse to accept delivery of gas pending correction by Company. 10.2 The point where responsibility for gas shall pass to Shipper after transportation by Company shall be at the outlet of Company's meter at the Delivery Point. Shipper shall provide reasonable access or ensure that reasonable access is provided to the premises at the Delivery Point for any purpose connected with this service. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012</p> <p>Terms &amp; Conditions</p>
<p>Tnspt Terms T-69 B</p>	<p>Continuation from Tnspt Terms T-69 A. CENTERPOINT ENERGY ENTEX GENERAL TERMS AND CONDITIONS FOR TRANSPORTATION SERVICE RATE SCHEDULE T-69 11. FACILITIES 11.1 For any Exhibit A effective prior to June 1, 2012: 11.1.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry. 11.1.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2 For any Exhibit A effective on or after June 1, 2012: 11.2.1 Company shall install, operate and maintain whatever facilities are necessary to receive gas at the Receipt Point(s). If Company agrees to provide new or additional facilities to perform services requested by Shipper, then, upon Company's request, Shipper shall reimburse Company, or cause Company to be reimbursed, for all costs of construction, installation and/or acquisition of such facilities. Telemetry is required for service under these General Terms. Company shall install telemetry equipment of standard make and manufacture to determine hourly and daily flow of gas at the Receipt Point. Shipper shall choose between analog telemetry and wireless telemetry, if suitable wireless service is available at the Receipt Point. 11.2.2 Shipper or Shipper's designee shall install, operate and maintain at its own expense whatever facilities are necessary to safely receive and utilize gas at and beyond the Delivery Point. 11.2.3 If Shipper chooses analog telemetry, then Shipper or Shipper's designee shall be responsible for installing and maintaining telecommunications lines. Should Shipper or Shipper's designee fail to maintain or repair telecommunications equipment and services required to communicate with telemetry equipment, Company shall have the right to bill Shipper for all labor, materials and other expense required to manually read the meter at whatever intervals the Company may deem necessary. In no case shall such charge be less than \$250.00 per meter read. 11.2.4 If Shipper chooses wireless telemetry, then Shipper shall pay Company \$15 per month per meter for wireless telemetry service for the entire period such meter(s) is(are) served under this or any other transportation rate schedule. 11.2.5 Shipper will pay Company or cause Company to be paid for telemetry equipment under one of the following payment options as chosen by the original Shipper in the initial Exhibit A: 11.2.5.1 Shipper will reimburse Company or cause Company to be reimbursed for the full, installed cost of such telemetry within 45 days of installation; or 11.2.5.2 Shipper shall pay Company or cause Company to be paid a monthly administrative fee per meter for the entire period such meter(s) is(are) served under this or any other transportation rate schedule as follows: Transportation redeliveries without pressure instrumentation \$30.00 per meter per month Transportation</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID:** 6263                      **COMPANY NAME:** CENTERPOINT ENERGY ENTEX

**TARIFF CODE:** DT                      **RRC TARIFF NO:** 27108

**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>redeliveries with pressure instrumentation \$75.00 per meter per month 11.3 Shipper or Shipper's designee shall have the right to request termination of service at a specific Delivery Point if the End-use Customer purchasing gas from Shipper at such Delivery Point fails to remit any and all amounts due to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting termination of service at such Delivery Point along with documentation that effectively demonstrates the delinquency. Company shall then terminate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to terminate service at the Delivery Point. In no case shall such charge be less than \$100.00 per service termination. Termination of service to any specific Delivery Point does not relieve Shipper of its contract obligations with Company for such Delivery Point. All standard tariff charges will continue to apply on a monthly basis through the remainder of the contract term whether or not Shipper is having gas delivered to the End-use Customer. 11.4 Shipper or Shipper's designee shall have the right to request reinstatement of service at a specific Delivery Point where service was previously terminated for non-payment by the End-use Customer if the End-use Customer purchasing gas from Shipper at such Delivery Point has remitted payment for any and all past due amounts to Shipper for the purchase of such gas. Shipper shall provide Company with an electronic statement requesting reinstatement of service at such Delivery Point along with documentation that effectively demonstrates the clearing of the delinquency or the institution of a payment plan. Company shall then reinstate service at such Delivery Point as soon as is operationally feasible. Company shall have the right to bill Shipper for all labor, materials and other expense required to reinstate service at the Delivery Point. In no case shall such charge be less than \$100.00 per reinstatement of service. 12. BALANCING 12.1 General Intent: These balancing provisions are in recognition of the fact that Company's upstream gas supply, transportation, storage and no-notice service capacity is reserved for the exclusive use by Company for transactions related to its system supply. 12.2 Shipper shall have a general obligation to: (i) conform its daily takes at Delivery Point(s) with its deliveries to Company at Receipt Point(s) to avoid imbalances, and (ii) when imbalances occur, to correct any such imbalances as soon as practical. 12.3 Company shall make available electronically daily imbalance information which shall notify Shipper of any imbalance under the Agreement in the current Service Month. Imbalance information shall be based on the best data then available to Company, including, but not limited to, nominations, allocations, electronic measurement data, and meter observations. The provision of such information by Company shall not relieve Shipper of its obligations under these General Terms to avoid, correct or eliminate actual imbalances. 12.4 Company shall monitor the accumulation of daily imbalances by Shipper and shall have the right to take corrective action as required, to eliminate Shipper's encroachment upon upstream gas supply, transportation, storage, or no-notice service capacity held by Company for general system supply. 12.5 Daily Imbalances During Critical Period Events 12.5.1 If Shippers' deliveries and takes are not in balance during a day, or are projected to be out of balance on a future day, and if Company determines in its reasonable judgment that such imbalances (i) impair Company's ability to maintain the operational integrity of its distribution system, or (ii) adversely affect Company's cost of gas purchased for resale to its firm service sales customers, then the Company may declare a Critical Period Event. Critical Period Event can be either: (i) an Excess Flow Event (Shipper's (deliveries exceed takes); or (ii) a Deficient Flow Event (Shipper's takes exceed deliveries). Under this Section 12, Operational Flow Orders (OFO's) or Operational Alerts (OA's) of pipelines serving the Company shall be deemed events which impair the Company's ability to maintain the operational integrity of its distribution system; and daily and intra-day price movements of greater than fifty cents (\$0.50) per MMBtu of the Daily Price Index(es) compared to the Monthly Price Index(es) specified in the Agreement shall be deemed to adversely affect Company's cost of gas purchased for resale to its firm service sales customers. 12.5.2 Company shall notify affected Shippers verbally of the Critical Period Event and Shippers shall have a minimum of four (4) hours to bring deliveries and takes into balance, or other longer time periods as deemed applicable by the Company. If, after the specified notice period indicated in Company's notice to Shipper of the Critical Period Event, Shipper has not balanced deliveries and takes, Company shall have the right to balance receipt and deliveries of gas. Company shall not be obligated to deliver a greater volume of gas to the Delivery Point than it received at the Receipt Point for Shipper's account, as indicated by the upstream delivering pipeline, until such time as Company determines that the Critical Period Event no longer exists. An imbalance that occurs following notice of a Critical Period Event may not be carried forward for clearing during the month, but instead may, at the Company's option, be cashed out based on the Critical Period Price. 12.5.3 The Critical Period Price shall be the Applicable Daily Index specified in the Agreement or, if the Applicable Daily Index is not published for the day, the Applicable Alternative Daily Index specified in the Agreement. 12.5.4 If, on any day during a Critical Period Event, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are greater than Shipper's gas requirements at the Delivery Point, then Company can purchase such over-delivered volumes at the Receipt Point from the Shipper at the following rates per MMBtu: (i) the first 5% of over-delivered volumes will be cashed out at the Critical Period Price; and (ii) amounts greater than 5% will be cashed out at a rate equal to 50% of the Critical Period Price. 12.5.5 If, on any day during a critical situation, after the expiration of the notice period, the Shipper delivers to Company volumes of gas that are less than the Shipper's gas requirements at the Delivery Point, then Company may require Shipper to purchase such deficiency at the Delivery Point from Company at the following rates per MMBtu. The first 5% of under-delivered volumes will be cashed out at the Critical Period Price. Amounts greater than 5% will be cashed out at a rate equal to 150% of the Critical Period Price for the day in which the deficiency occurred. 12.6 Multi-day Imbalances 12.6.1 For any multi-day period measured from the beginning of the first day of the month where a cumulative imbalance is equal to or greater than 5% of the projected redeliveries for the Service Month, Company may at its option, eliminate, through an intra-month cash-out action, all or part of said cumulative imbalance. For these purposes, the projected deliveries for the Service Month shall be equal to the arithmetic average of the number of observed deliveries within the Service Month to date multiplied by the number days in the Service Month. The cash-out price applicable to such intra-month cash-out transactions shall be equal to 50% of the Critical Period Price for cash-out purchases by Company from Shipper and 150% of Critical Period Price for cash-out purchases required of Shipper from Company. As a prerequisite to any such intra-month cash-out action, Company shall warn Shipper during the Business Day prior to the day on which the Company projects Shipper will be in violation of the 5% threshold, based on the information available to Company at the time said warning is issued. Once such warning is issued to Shipper in any Service Month, no additional warnings from Company will be required during that same Service Month, prior to an intra-month cash-out action by Company on Shipper's then cumulative imbalance. 12.6.2 Company shall not be obligated to do the following under any circumstances: (i) deliver more gas to Shipper during any given day or month than it shall have received at the Receipt Point for the account of Shipper during said period; or (ii) to receive at the Receipt Point or deliver at the Delivery Point during any given Day a total quantity of gas in excess of the MDQ. 12.6.3 Shipper will be responsible for its allocable share of any incremental costs associated with Company's upstream transportation, storage, or no-notice services attributable to</p>

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27108
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>																								
	<p>nomination and scheduling activities of Shipper, including but not limited to incremental overrun charges, commodity charges, daily demand charges, and penalties. The responsibility provided for herein shall not relieve Shipper of its obligations under these General Terms or the tariffs of Company's upstream service providers to avoid, correct or eliminate nomination or scheduling errors. 12.7 Monthly Imbalances 12.7.1 At the end of each Service Month, remaining Shipper imbalances shall be cashed out. To the extent Shipper owes natural gas volumes to Company (deliveries exceeded volumes received by Company), Shipper will purchase said volumes from Company at the percentage of applicable cash-out price described below. To the extent Company owes natural gas volumes to Shipper (volumes received exceeded volumes delivered by Company), Company will purchase said volumes from Shipper at the applicable percentage of the cash-out price described below.</p> <table border="0"> <tr> <td style="text-align: center;">Imbalance Level</td> <td style="text-align: center;">The Company Pays Shipper the</td> <td style="text-align: center;">Shipper Pays the</td> <td style="text-align: center;">Following</td> </tr> <tr> <td style="text-align: center;">Percentage of the</td> <td style="text-align: center;">Company the Following</td> <td style="text-align: center;">Cash-Out Price</td> <td style="text-align: center;">Percentage of</td> </tr> <tr> <td style="text-align: center;">the Cash-</td> <td></td> <td style="text-align: center;">Out Price From 0% to 5%</td> <td></td> </tr> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">100% From 5% to 10%</td> <td style="text-align: center;">80%</td> <td style="text-align: center;">120% From 10% to</td> </tr> <tr> <td style="text-align: center;">15%</td> <td style="text-align: center;">70%</td> <td style="text-align: center;">130% From 15% to 20%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">140% Greater than 20%</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">150%</td> <td></td> </tr> </table> <p>12.7.2 In the event of an Overage, the Cash Out Price shall be the Cash-out Index specified in the Agreement. In the event of an Underage, the Cash Out Price shall be Cash-out Index plus an Adder as specified in the Agreement. 12.8 Company in its sole discretion, upon ten (10) days written notice to Shipper, may change the Cash-out Index, Adder, Applicable Daily Index or Applicable Alternative Daily Index effective in the Agreement. Any such change will be applied to imbalances prospectively. 12.9 Effect of Reliance on Incomplete or Inaccurate Data. Imbalances caused by Shipper's reliance on imbalance data that differ materially from subsequently corrected data will be assumed to fall into the 0% to 5% range and the Cash Out Price shall be the Cash Out Index specified in the Agreement. 13. BILLING AND PAYMENT 13.1 Company shall invoice Shipper as near to the 15th day of each month (Billing Date) as is operationally feasible for transportation during the preceding month and for any other applicable charges. If the actual quantity delivered is not known by the Billing Date, billing shall be prepared based on the quantity nominated by Shipper or Company's estimate. The invoiced quantity shall then be adjusted to the actual quantity on the following month's billing or as soon thereafter as actual delivery information is available. 13.2 Shipper shall remit the amount due under Section 13.1 no more than five (5) days after receipt of Company's invoice (Payment Date) in immediately available funds. If the Payment Date is not a Business Day, payment is due on the next Business Day following that date. 13.3 If Shipper, in good faith, disputes the amount or any part of such invoice, then Shipper shall pay such amount as it concedes to be correct; provided, however, if Shipper disputes the amount due, it must provide Company with written notice of the basis for the disputed amount and supporting documentation acceptable in natural gas industry practice to support the amount paid and the amount disputed. In the event the parties are unable to resolve such dispute, either party may pursue any remedy available at law or in equity to enforce its rights pursuant to this Section. 13.4 If Shipper fails to remit the full amount payable when due, interest on the unpaid portion shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus one percent (1%) per annum; or (ii) the maximum applicable lawful interest rate. 13.5 Company and Shipper shall have the right, at their own expense, upon reasonable notice at reasonable times, to examine and audit and to obtain copies of the relevant portion of the books, records, and telephone recordings of the other party only to the extent reasonably necessary to verify the accuracy of any statement, charge, payment, or computation made under the Agreement. All invoices and billings shall be conclusively presumed final and accurate and all associated claims for under payments or overpayments shall be deemed waived unless such invoices or billings are objected to in writing, with adequate explanation and/or documentation, within two (2) years after the month of gas delivery. All retroactive adjustments under this Section shall be paid in full by the party owing payment within thirty (30) days of notice and substantiation of such inaccuracy. 14. ASSURANCE OF PERFORMANCE If Company has commercially reasonable grounds for insecurity regarding the performance of any obligation under the Agreement or these General Terms (whether or not then due) by Shipper (including, without limitation, the occurrence of a material change in the creditworthiness of Shipper or its guarantor or credit support provider), Company may demand Adequate Assurance of Performance. Adequate Assurance of Performance means Shipper's provision of Credit Support Obligation(s) or additional Credit Support Obligation(s) in a form, amount and for the term reasonably acceptable to Company. Credit Support Obligation(s) means Shipper's obligation(s) to provide or establish credit support for, or on behalf of, Company such as an irrevocable standby letter of credit, a margin agreement, a prepayment, a security interest in an asset, a performance bond, guaranty, or other good and sufficient security of a continuing nature acceptable to Company. 15. EVENT OF DEFAULT AND EARLY TERMINATION 15.1 In the event (each an Event of Default) Shipper or its guarantor shall: 15.1.1 Make an assignment or any general arrangement for the benefit of creditors; 15.1.2 file a petition or otherwise commence, authorize, or acquiesce in the commencement of a proceeding or case under any bankruptcy or similar law for the protection of creditors or have such petition filed or proceeding commenced against it; 15.1.3 otherwise become bankrupt or insolvent (however evidenced); 15.1.4 be unable to pay its debts as they fall due; 15.1.5 have a receiver, provisional liquidator, conservator, custodian, trustee or other similar official appointed with respect to it or substantially all of its assets; 15.1.6 fail to perform any obligation to the Company with respect to any Credit Support Obligation(s) relating to the Contract; 15.1.7 fail to give Adequate Assurance of Performance under Section 14 within forty-eight (48) hours but at least one Business Day of a written request by Company; 15.1.8 not have paid any amount due the Company hereunder on or before the second Business Day following written notice that such payment is due; or 15.1.9 consolidate or amalgamate with, or merge with or into, or transfer all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting surviving, or transferee entity fails to assume all the obligations of Shipper under the Agreement or these General Terms or the resulting, surviving or transferee entity's credit is materially weaker as determined by the Company acting in good faith and in a commercially reasonable manner; then Company shall have the right, at its sole election and upon written notice, to immediately withhold and/or suspend deliveries or payments and/or to terminate the Agreement in addition to any and all other remedies available hereunder. Company reserves all rights, set-offs, counterclaims, and any defenses to which it may be entitled. 15.2 If an Event of Default has occurred and is continuing, Company shall have the right, by notice to Shipper, to designate a day, no earlier than the day such notice is given and no later than twenty (20) days after such notice is given, as an early termination date (the Early Termination Date) for the termination all of Company's obligations to transport gas under the Agreement (collectively, the Terminated Obligations). On the Early Termination Date, all transportation of natural gas hereunder shall cease. 15.3 As of the Early Termination Date, Company shall determine the following, in good faith and in a</p>	Imbalance Level	The Company Pays Shipper the	Shipper Pays the	Following	Percentage of the	Company the Following	Cash-Out Price	Percentage of	the Cash-		Out Price From 0% to 5%		100%	100% From 5% to 10%	80%	120% From 10% to	15%	70%	130% From 15% to 20%	60%	140% Greater than 20%	50%	150%	
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GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

<b>RRC COID:</b> 6263	<b>COMPANY NAME:</b> CENTERPOINT ENERGY ENTEX
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<b>TARIFF CODE:</b> DT	<b>RRC TARIFF NO:</b> 27108
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**CURRENT RATE COMPONENT**

<u>RATE COMP. ID</u>	<u>DESCRIPTION</u>
	<p>commercially reasonable manner: (A) the amount owed (whether or not then due) for all gas transported by Company under Terminated Obligations on and before the Early Termination Date and all other applicable charges relating to such transportation, including but not limited to amounts due Company under to Section 12 hereof. 15.4 As soon as practicable, Company shall invoice Shipper for the amounts due to Company under this Section 15. Shipper shall pay the invoice amount by the close of business on the second Business Day following such the date of the invoice, which date shall not be earlier than the Early Termination Date. Interest on any unpaid portion of the invoice shall accrue from the date due until the date of payment at a rate equal to the lower of (i) the then-effective prime rate of interest published under Money Rates by The Wall Street Journal, plus two percent (2%) per annum, or (ii) the maximum applicable lawful interest rate. 16. LIMITATIONS OF LIABILITY AND FORCE MAJEURE 16.1 Limitations of Liability 16.1.1 Full or partial interruption of gas deliveries during the term of this Contract due to acts of God, the elements, requirements for residential and other uses declared superior to Shipper's use by law, order, rule or regulation (Law), damage to Company's pipes or equipment or to other causes or contingencies beyond the control of Company shall not be cause for termination of the Agreement or the basis for any claims. Delivery and receipt of gas under the Agreement shall be resumed whenever any such cause or contingency ends. 16.1.2 FOR BREACH OF ANY PROVISION OR EVENT OF DEFAULT FOR WHICH AN EXPRESS REMEDY OR MEASURE OF DAMAGES IS PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SUCH EXPRESS REMEDY OR MEASURE OF DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY. A PARTY'S LIABILITY HEREUNDER SHALL BE LIMITED AS SET FORTH IN SUCH PROVISION, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. IF NO REMEDY OR MEASURE OF DAMAGES IS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, A PARTY'S LIABILITY SHALL BE LIMITED TO DIRECT ACTUAL DAMAGES ONLY. SUCH DIRECT ACTUAL DAMAGES SHALL BE THE SOLE AND EXCLUSIVE REMEDY, AND ALL OTHER REMEDIES OR DAMAGES AT LAW OR IN EQUITY ARE WAIVED. UNLESS EXPRESSLY PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, NEITHER PARTY SHALL BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOST PROFITS OR OTHER BUSINESS INTERRUPTION DAMAGES, BY STATUTE, IN TORT OR CONTRACT, UNDER ANY INDEMNITY PROVISION OR OTHERWISE. IT IS THE INTENT OF THE PARTIES THAT THE LIMITATIONS IMPOSED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ON REMEDIES AND THE MEASURE OF DAMAGES BE WITHOUT REGARD TO THE CAUSE OR CAUSES RELATED THERETO, INCLUDING THE NEGLIGENCE OF ANY PARTY, WHETHER SUCH NEGLIGENCE BE SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED UNDER SUCH AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS INCURRED. 16.1.3 EXCEPT AS OTHERWISE PROVIDED UNDER THE AGREEMENT, APPLICABLE RATE SCHEDULE OR THESE GENERAL TERMS, SHIPPER EXPRESSLY AGREES TO PROTECT, DEFEND, INDEMNIFY, AND SAVE COMPANY, ITS OFFICERS, DIRECTORS, AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL LOSS, DESTRUCTION, OR DAMAGE TO PROPERTY (INCLUDING BUT NOT LIMITED TO PROPERTY OF COMPANY, SHIPPER, OR ANY THIRD PARTY) AND ANY AND ALL CLAIMS, DEMANDS, AND COURSES OF ACTION OF EVERY KIND AND CHARACTER, WITHOUT LIMIT AND WITHOUT REGARD TO THE CAUSE OR CAUSES OR THE NEGLIGENCE OF ANY PARTY OR PARTIES, ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE GAS OR THE TRANSPORTATION OF GAS UNDER THE TRANSPORTATION SERVICE AGREEMENT, EXCEPT TO THE EXTENT CAUSED BY THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF COMPANY, ITS OFFICERS, AGENTS AND EMPLOYEES. SHIPPER SHALL ON COMPANY'S REQUEST, DEFEND ANY SUIT ASSERTING A CLAIM COVERED BY THIS INDEMNITY. SHIPPER SHALL PAY ALL COSTS THAT MAY BE INCURRED BY COMPANY IN ENFORCING THIS INDEMNITY, INCLUDING ALL REASONABLE ATTORNEY'S FEES. 16.2 Force Majeure 16.2.1 Suspension of Performance. In the event either party is rendered unable, wholly or in part, by an event of force majeure to carry out its obligations under any Transportation Service Agreement, except the obligation to pay monies due under such Agreement, on such party's giving notice and reasonably full particulars of such event of force majeure, in writing or by fax, to the other party within a reasonable time after the occurrence of the cause relied on, the obligations of the party giving such notice, so far as they are affected by such event of force majeure, will be suspended during the continuance of any inability so caused, but for no longer period, and such cause will, so far as possible, be remedied with all reasonable dispatch. 16.2.2 Definition of Force Majeure. The term force majeure as used herein, means acts of God; strikes, lockouts, or other industrial disturbances; acts of terrorism, acts of the public enemy, wars, blockades, insurrections, civil disturbances, riots, and epidemics; landslides, lightning, earthquakes, fires, storms, tornadoes, hurricanes, floods, and washouts; arrests, orders, directives, restraints, and requirements of the government and governmental agencies, either federal or state, civil or military; any application of governmental conservation or curtailment rules and regulations; explosions, breakage, or accident to machinery or lines of pipe; shutdowns of lines of pipe for inspection, maintenance, or repair; freezing of lines of pipe; and any other causes, whether of the kind enumerated or otherwise, not reasonably within the control of the party claiming suspension. The settlement of strikes or lockouts will be entirely within the discretion of the party having the difficulty, and the above referenced reasonable dispatch will not require the settlement of strikes or lockouts by acceding to the demand of the opposing party when such course is, or is deemed to be, inadvisable or inappropriate in the discretion of the party having the difficulty. 16.2.3 Balancing Obligations Remain. Notwithstanding the foregoing, an event of force majeure will in no way terminate Shipper's obligation to balance quantities of gas under the applicable Agreement or make payment for quantities delivered prior to such event of force majeure. Second Revised T-69 Terms &amp; Conditions Replaces Revised T-69 Effective 06-01-2012 Terms &amp; Conditions</p>

<b>RATE ADJUSTMENT PROVISIONS:</b>
None

GAS SERVICES DIVISION

GSD - 2 TARIFF REPORT

**RRC COID: 6263                      COMPANY NAME: CENTERPOINT ENERGY ENTEX**

**TARIFF CODE: DT                      RRC TARIFF NO: 27108**

**DELIVERY POINTS**

<u>ID</u>	<u>TYPE</u>	<u>UNIT</u>	<u>CURRENT CHARGE</u>	<u>EFFECTIVE DATE</u>	<u>CONFIDENTIAL</u>
352	D	MMBtu	\$.0000	09/01/2014	N
<b>DESCRIPTION:</b> TEXAS CITY, INC.					
<b>Customer</b>	31483	COKINOS			

**TYPE SERVICE PROVIDED**

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>	<u>OTHER TYPE DESCRIPTION</u>
H	Transportation	

**TUC APPLICABILITY**

**FACTS SUPPORTING SECTION 104.003(b) APPLICABILITY**

Competition does or did exist either with another gas utility, another supplier of natural gas, or a supplier of an alternative form of energy.

I affirm that a true and correct copy of this tariff has been sent to the customer involved in this transaction.