

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 18733

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 05/01/1999 ORIGINAL CONTRACT DATE: 05/01/1999 RECEIVED DATE: 11/19/2007
GAS CONSUMED: Y AMENDMENT DATE: 08/15/2007 OPERATOR NO: 878395
BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
RS-05011999VC	This schedule is applicable to all commercial customers receiving gas service through a single meter in Houston County, Texas, and Madison County, Texas. Natural gas supplied hereunder is for the individual use of the customer at one point of delivery and shall not be resold or shared with others. Service under this schedule shall be furnished in accordance with Company's General Rules and Regulations. NET MONTHLY RATE The price payable by each commercial customer for all consumption each month shall be \$6.25 per MCF (Commodity Rate), subject to the Gas Cost Adjustment set forth below. MINIMUM MONTHLY RESIDENTIAL BILL \$6.00 MINIMUM MONTHLY COMMERCIAL BILL \$10.00 PAYMENT: The above net monthly rate, as adjusted, increased by 5% is the gross monthly rate. All bills shall be delinquent unless payment is received within fifteen (15) days from the date of the bill. All bills shall be rendered on the gross basis. The difference between the gross and net rates, representing a discount, shall be allowed for payment of bills received within 10 days from the date of the bill.
PS Inspection Fee	The Company will pass on the Pipeline Safety Inspection Fee in the amount of \$0.37 for each service line reported to be in service at the end of calendar year 2006, pursuant to Texas Utilities Code 121.211 of the Commission's Rules and Regulations.
Cost of Gas	DEFINITIONS AND ADJUSTMENTS: Gas Cost Adjustment. The Base Rate per MCF shall be adjusted upward (downward) when the Company's weighted average cost of gas purchased for resale is more (less) than \$2.25 per MCF. The Company's monthly weighted average cost of gas per MCF shall be computed to the nearest cent (\$0.01), and the Gas Cost Adjustment per MCF shall be applied to each MCF billed. Lost and unaccounted for gas (LUG) expense shall be allowed at the rate of five percent (5%) or the Company's actual LUG, whichever is smaller. The monthly adjustment shall be computed as follows when the weighted average cost of gas is known: $A = (C - \$2.25) / (1 + (LUG))$ Where: A = The amount of the monthly adjustment. C = The Company's current weighted average cost of gas purchased for resale. P = The volume of gas purchased during the most recent 12-month period ended June 30. S = The volume of gas sold during the most recent 12-month period ended June 30. LUG = Lost and unaccounted for gas is 0.05 or $(P-S)/P$, whichever is smaller. The Commodity Rate shall be adjusted each month as provided in the Gas Cost Adjustment. If the Company's current weighted average cost of gas purchased for resale is not known at the date the customer's bills are prepared, then Company shall calculate its current weighted average cost of gas purchased for resale as follows: Step 1: Current Month Estimated Cost of Gas Calculation A Current Month's Estimated Total Gas Cost \$ B Current Month's Estimated Purchase Volume _____ MCF C Current Month's Estimated Cost of Gas per MCF \$ D Base Cost of Gas per MCF \$2.250 E Adjusted Cost of Gas \$ F Unaccounted for Gas Factor (LUG) _____ % G Current Month's Estimated Adjusted Cost of Gas \$ Step 2: Correction of Prior Month's Estimated GCA H Prior Month's Actual Total Gas Cost I Prior Month's actual Purchase Volume _____ MCF J Prior Month's Actual Cost of Gas per MCF K Base Cost of Gas (Tariff) per MCF (H/I) _____ L Adjusted Cost of Gas per MCF (J-K) M Unaccounted for Gas Factor (LUG) _____ % N Prior Month's Actual GCA per MCF \$ O Prior Month's Estimated GCA per MCF \$ P Difference per MCF (N-O) \$ Q Prior to Month's Actual Sales Volume (MCF) _____

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R Total Amount <Over>/Under Collected (P x Q) \$ Step 3: Current Month's GCA
 Calculation G Current Month's Estimated Cost of Gas per MCF \$ R Amount <Over>/
 Under Collected in Prior Month \$ S Current Month's Actual Sales Volume (MCF) T
 Adjustment per MCF (R/S) U Current Month's Estimated GCA (G+T)

RATE ADJUSTMENT PROVISIONS

Yes

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CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27596	N	MCF	\$6.7790	11/01/2007
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$6.4640	12/01/2007
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$6.3140	01/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$7.5130	02/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$8.2130	03/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$8.4250	04/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$11.3790	05/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$12.2330	06/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$8.6520	08/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$7.6990	09/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$6.9360	10/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$6.7310	11/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$5.7380	12/01/2008
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO:

AMENDMENT(EXPLAIN)To include commercial environs customers located in Houston County, TX

OTHER(EXPLAIN):

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SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	

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GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20667

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/14/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 08/13/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO: 878395
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Surcharge9846	Rate Case Surcharge: The Company will impose an \$0.18 per MCF surcharge on all MCF's during each billing period over a twenty-four month period to recover actual fees and expenses incurred in GUD NO. 9797. This surcharge applies to all tariffed customer classes.
ISD121608	APPLICATION OF SCHEDULE - This schedule is applicable to all commercial customers receiving gas service through a single meter in Montgomery, Walker and Houston Counties, Texas. Natural gas supplied is for the individual use of the customer at one point of delivery and shall not be resold or shared with others. Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations. MONTHLY RATE - The price payable by each commercial customer for all consumption each month shall be \$2.28 per MCF (Commodity Rate), subject to the Gas Cost Adjustment set forth below. MONTHLY CUSTOMER OR METER CHARGE: \$25.00 PAYMENT: All bills shall be delinquent unless payment is received within fifteen (15) days from the date of the bill. COST OF GAS ADJUSTMENT: The customer's bill shall be adjusted upward (downward) based on the Company's Cost of Gas Adjustment Clause.
COG121608	A. APPLICABILITY - This Cost of Gas Clause shall apply to all general service rate schedules of Universal Natural Gas, Inc. (The Company) in the Montgomery, Walker and Houston Counties, Texas. B. DEFINITIONS - 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, and storage necessary for the movement of gas to the

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RATE SCHEDULESCHEDULE IDDESCRIPTION

Company's city gate delivery points.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company per Section B(3) Cost of Purchased Gas to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 5 percent lost and unaccounted for gas.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3)), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS - In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT - If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E PAYMENT FOR FUNDS, if any, shall be divided by the general service sales

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volumes, adjusted for the effects of weather for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined

E. PAYMENT FOR FUNDS - If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest. If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest.

F. SURCHARGE OR REFUND PROCEDURES - In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds.

G. COST OF GAS STATEMENT - The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT - The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances

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incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October.

RATE ADJUSTMENT PROVISIONS

None

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27596	N	MCF	\$5.2810	06/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$5.2050	07/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			
27596	N	MCF	\$5.3840	08/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Houston County, Texas			

CUSTOMER NAME

Commercial customers located in Houston County, Texas

CUSTOMER NAME

Commercial customers located in Houston County, Texas

CUSTOMER NAME

Commercial customers located in Houston County, Texas

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9846 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): To recover rate case expenses incurred in GUD 9797. A surcharge of \$0.18 per Mcf to be charged on all gas volumes over a 24 month period.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	

OTHER TYPE DESCRIPTION

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GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20668

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/14/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 08/14/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO: 878395
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Surcharge9846	Rate Case Surcharge: The Company will impose an \$0.18 per MCF surcharge on all MCF's during each billing period over a twenty-four month period to recover actual fees and expenses incurred in GUD NO. 9797. This surcharge applies to all tariffed customer classes.
ISD121608	APPLICATION OF SCHEDULE - This schedule is applicable to all commercial customers receiving gas service through a single meter in Montgomery, Walker and Houston Counties, Texas. Natural gas supplied is for the individual use of the customer at one point of delivery and shall not be resold or shared with others. Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations. MONTHLY RATE - The price payable by each commercial customer for all consumption each month shall be \$2.28 per MCF (Commodity Rate), subject to the Gas Cost Adjustment set forth below. MONTHLY CUSTOMER OR METER CHARGE: \$25.00 PAYMENT: All bills shall be delinquent unless payment is received within fifteen (15) days from the date of the bill. COST OF GAS ADJUSTMENT: The customer's bill shall be adjusted upward (downward) based on the Company's Cost of Gas Adjustment Clause.
COG121608	A. APPLICABILITY - This Cost of Gas Clause shall apply to all general service rate schedules of Universal Natural Gas, Inc. (The Company) in the Montgomery, Walker and Houston Counties, Texas. B. DEFINITIONS - 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, and storage necessary for the movement of gas to the

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RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20668

RATE SCHEDULESCHEDULE IDDESCRIPTION

Company's city gate delivery points.

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F. SURCHARGE OR REFUND PROCEDURES - In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds.

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RATE ADJUSTMENT PROVISIONS

None

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27592	N	MCF	\$5.2810	06/01/2009
<u>CUSTOMER NAME</u>	Residential Customers located in Houston County, Texas			
27592	N	MCF	\$5.2050	07/01/2009
<u>CUSTOMER NAME</u>	Residential Customers located in Houston County, Texas			
27592	N	MCF	\$5.3840	08/01/2009
<u>CUSTOMER NAME</u>	Residential Customers located in Houston County, Texas			

CUSTOMER NAME

Residential Customers located in Houston County, Texas

CUSTOMER NAME

Residential Customers located in Houston County, Texas

CUSTOMER NAME

Residential Customers located in Houston County, Texas

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9846 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): To recover rate case expenses incurred in GUD 9797. A surcharge of \$0.18 per Mcf to be charged on all gas volumes over a 24 month period.

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<u>OTHER TYPE DESCRIPTION</u>	

OTHER TYPE DESCRIPTION

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RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20669

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/14/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 08/11/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO: 878395
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Surcharge9846	Rate Case Surcharge: The Company will impose an \$0.18 per MCF surcharge on all MCF's during each billing period over a twenty-four month period to recover actual fees and expenses incurred in GUD NO. 9797. This surcharge applies to all tariffed customer classes.
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GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20669

RATE SCHEDULESCHEDULE IDDESCRIPTION

Company's city gate delivery points.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company per Section B(3) Cost of Purchased Gas to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 5 percent lost and unaccounted for gas.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3)), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS - In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT - If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E PAYMENT FOR FUNDS, if any, shall be divided by the general service sales

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20669

RATE SCHEDULESCHEDULE IDDESCRIPTION

volumes, adjusted for the effects of weather for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined

E. PAYMENT FOR FUNDS - If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest. If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest.

F. SURCHARGE OR REFUND PROCEDURES - In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds.

G. COST OF GAS STATEMENT - The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT - The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20669

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October.

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
29607	N	MCF	\$5.2810	06/01/2009
<u>CUSTOMER NAME</u>	ISD Service customers located in Montgomery, Walker, and Houston Counties, Texas			
29607	N	MCF	\$5.2050	07/01/2009
<u>CUSTOMER NAME</u>	ISD Service customers located in Montgomery, Walker, and Houston Counties, Texas			
29607	N	MCF	\$5.3840	08/01/2009
<u>CUSTOMER NAME</u>	ISD Service customers located in Montgomery, Walker, and Houston Counties, Texas			

REASONS FOR FILING		
NEW?: N	RRC DOCKET NO: 9846	CITY ORDINANCE NO:
<u>AMENDMENT (EXPLAIN):</u>		
<u>OTHER (EXPLAIN):</u>	To recover rate case expenses incurred in GUD 9797. A surcharge of \$0.18 per Mcf to be charged on all gas volumes over a 24 month period.	

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20670

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/14/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 08/17/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO: 878395
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Surcharge9846	Rate Case Surcharge: The Company will impose an \$0.18 per MCF surcharge on all MCF's during each billing period over a twenty-four month period to recover actual fees and expenses incurred in GUD NO. 9797. This surcharge applies to all tariffed customer classes.
ISD121608	APPLICATION OF SCHEDULE - This schedule is applicable to all commercial customers receiving gas service through a single meter in Montgomery, Walker and Houston Counties, Texas. Natural gas supplied is for the individual use of the customer at one point of delivery and shall not be resold or shared with others. Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations. MONTHLY RATE - The price payable by each commercial customer for all consumption each month shall be \$2.28 per MCF (Commodity Rate), subject to the Gas Cost Adjustment set forth below. MONTHLY CUSTOMER OR METER CHARGE: \$25.00 PAYMENT: All bills shall be delinquent unless payment is received within fifteen (15) days from the date of the bill. COST OF GAS ADJUSTMENT: The customer's bill shall be adjusted upward (downward) based on the Company's Cost of Gas Adjustment Clause.
COG121608	A. APPLICABILITY - This Cost of Gas Clause shall apply to all general service rate schedules of Universal Natural Gas, Inc. (The Company) in the Montgomery, Walker and Houston Counties, Texas. B. DEFINITIONS - 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, and storage necessary for the movement of gas to the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20670

RATE SCHEDULESCHEDULE IDDESCRIPTION

Company's city gate delivery points.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company per Section B(3) Cost of Purchased Gas to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 5 percent lost and unaccounted for gas.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3)), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS - In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT - If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E PAYMENT FOR FUNDS, if any, shall be divided by the general service sales

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20670

RATE SCHEDULESCHEDULE IDDESCRIPTION

volumes, adjusted for the effects of weather for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined

E. PAYMENT FOR FUNDS - If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest. If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest.

F. SURCHARGE OR REFUND PROCEDURES - In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds.

G. COST OF GAS STATEMENT - The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT - The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20670

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October.

RATE ADJUSTMENT PROVISIONS

None

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
27595	N	MCF	\$5.2810	06/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Montgomery County, Texas			
27595	N	MCF	\$5.2050	07/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Montgomery County, Texas			
27595	N	MCF	\$5.3840	08/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Montgomery County, Texas			

CUSTOMER NAME

Commercial customers located in Montgomery County, Texas

CUSTOMER NAME

Commercial customers located in Montgomery County, Texas

CUSTOMER NAME

Commercial customers located in Montgomery County, Texas

REASONS FOR FILING

NEW?: N RRC DOCKET NO: 9846 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): To recover rate case expenses incurred in GUD 9797. A surcharge of \$0.18 per Mcf to be charged on all gas volumes over a 24 month period.

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	

OTHER TYPE DESCRIPTION

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20671

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/14/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 08/18/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO: 878395
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Surcharge9846	Rate Case Surcharge: The Company will impose an \$0.18 per MCF surcharge on all MCF's during each billing period over a twenty-four month period to recover actual fees and expenses incurred in GUD NO. 9797. This surcharge applies to all tariffed customer classes.
ISD121608	APPLICATION OF SCHEDULE - This schedule is applicable to all commercial customers receiving gas service through a single meter in Montgomery, Walker and Houston Counties, Texas. Natural gas supplied is for the individual use of the customer at one point of delivery and shall not be resold or shared with others. Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations. MONTHLY RATE - The price payable by each commercial customer for all consumption each month shall be \$2.28 per MCF (Commodity Rate), subject to the Gas Cost Adjustment set forth below. MONTHLY CUSTOMER OR METER CHARGE: \$25.00 PAYMENT: All bills shall be delinquent unless payment is received within fifteen (15) days from the date of the bill. COST OF GAS ADJUSTMENT: The customer's bill shall be adjusted upward (downward) based on the Company's Cost of Gas Adjustment Clause.
COG121608	A. APPLICABILITY - This Cost of Gas Clause shall apply to all general service rate schedules of Universal Natural Gas, Inc. (The Company) in the Montgomery, Walker and Houston Counties, Texas. B. DEFINITIONS - 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, and storage necessary for the movement of gas to the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20671

RATE SCHEDULESCHEDULE IDDESCRIPTION

Company's city gate delivery points.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company per Section B(3) Cost of Purchased Gas to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 5 percent lost and unaccounted for gas.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3)), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS - In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT - If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E PAYMENT FOR FUNDS, if any, shall be divided by the general service sales

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20671

RATE SCHEDULESCHEDULE IDDESCRIPTION

volumes, adjusted for the effects of weather for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined

E. PAYMENT FOR FUNDS - If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest. If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest.

F. SURCHARGE OR REFUND PROCEDURES - In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds.

G. COST OF GAS STATEMENT - The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT - The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20671

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October.

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
27593	N	MCF	\$5.2810	06/01/2009
<u>CUSTOMER NAME</u>	Residential Customers located in Montgomery County, Texas			
27593	N	MCF	\$5.2050	07/01/2009
<u>CUSTOMER NAME</u>	Residential Customers located in Montgomery County, Texas			
27593	N	MCF	\$5.3840	08/01/2009
<u>CUSTOMER NAME</u>	Residential Customers located in Montgomery County, Texas			

REASONS FOR FILING		
NEW?: N	RRC DOCKET NO: 9846	CITY ORDINANCE NO:
<u>AMENDMENT (EXPLAIN):</u>		
<u>OTHER (EXPLAIN):</u>	To recover rate case expenses incurred in GUD 9797. A surcharge of \$0.18 per Mcf to be charged on all gas volumes over a 24 month period.	

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20672

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 12/16/2008 ORIGINAL CONTRACT DATE: RECEIVED DATE: 01/27/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO: 878395
 BILLS RENDERED: N INACTIVE DATE: 08/20/2009

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Commercial121608	<p>APPLICATION OF SCHEDULE -</p> <p>This schedule is applicable to all commercial customers receiving gas service through a single meter in Montgomery, Walker and Houston Counties, Texas. Natural gas supplied is for the individual use of the customer at one point of delivery and shall not be resold or shared with others. Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations.</p> <p>MONTHLY RATE - The price payable by each commercial customer for all consumption each month shall be \$2.42 per MCF (Commodity Rate), subject to the Gas Cost Adjustment set forth below.</p> <p>MONTHLY CUSTOMER OR METER CHARGE: \$25.00</p> <p>PAYMENT: All bills shall be delinquent unless payment is received within fifteen (15) days from the date of the bill.</p> <p>COST OF GAS ADJUSTMENT: The customer's bill shall be adjusted upward (downward) based on the Company's Cost of Gas Adjustment Clause.</p>
COG121608	<p>A. APPLICABILITY -</p> <p>This Cost of Gas Clause shall apply to all general service rate schedules of Universal Natural Gas, Inc. (The Company) in the Montgomery, Walker and Houston Counties, Texas.</p> <p>B. DEFINITIONS -</p> <ol style="list-style-type: none"> 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, and storage necessary for the movement of gas to the Company's city gate delivery points. 4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20672

RATE SCHEDULESCHEDULE IDDESCRIPTION

Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company per Section B(3) Cost of Purchased Gas to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 5 percent lost and unaccounted for gas.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS - In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT - If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E PAYMENT FOR FUNDS, if any, shall be divided by the general service sales volumes, adjusted for the effects of weather for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

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with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined

E. PAYMENT FOR FUNDS - If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest. If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest.

F. SURCHARGE OR REFUND PROCEDURES - In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds.

G. COST OF GAS STATEMENT - The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT - The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for

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GSD - 1 TARIFF REPORT

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RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	October.

RATE ADJUSTMENT PROVISIONS
Yes

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
27597	N	MCF	\$7.4560	01/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			
27597	N	MCF	\$5.6150	02/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			
27597	N	MCF	\$5.4260	03/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			
27597	N	MCF	\$5.1530	04/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			
27597	N	MCF	\$4.8930	05/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			

REASONS FOR FILING
NEW?: N RRC DOCKET NO: 9797 CITY ORDINANCE NO:
AMENDMENT (EXPLAIN):
OTHER (EXPLAIN): To include rates established in Gas Utilities Docket No. 9797.

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20672

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/14/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 08/19/2009
 GAS CONSUMED: Y AMENDMENT DATE: OPERATOR NO: 878395
 BILLS RENDERED: N INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Surcharge9846	Rate Case Surcharge: The Company will impose an \$0.18 per MCF surcharge on all MCF's during each billing period over a twenty-four month period to recover actual fees and expenses incurred in GUD NO. 9797. This surcharge applies to all tariffed customer classes.
ISD121608	APPLICATION OF SCHEDULE - This schedule is applicable to all commercial customers receiving gas service through a single meter in Montgomery, Walker and Houston Counties, Texas. Natural gas supplied is for the individual use of the customer at one point of delivery and shall not be resold or shared with others. Service under this schedule shall be furnished in accordance with the Company's General Rules and Regulations. MONTHLY RATE - The price payable by each commercial customer for all consumption each month shall be \$2.28 per MCF (Commodity Rate), subject to the Gas Cost Adjustment set forth below. MONTHLY CUSTOMER OR METER CHARGE: \$25.00 PAYMENT: All bills shall be delinquent unless payment is received within fifteen (15) days from the date of the bill. COST OF GAS ADJUSTMENT: The customer's bill shall be adjusted upward (downward) based on the Company's Cost of Gas Adjustment Clause.
COG121608	A. APPLICABILITY - This Cost of Gas Clause shall apply to all general service rate schedules of Universal Natural Gas, Inc. (The Company) in the Montgomery, Walker and Houston Counties, Texas. B. DEFINITIONS - 1. Cost of Gas - The rate per billing unit or the total calculation under this clause, consisting of the commodity cost, a reconciliation component, and other purchased gas expenses. 2. Commodity Cost - The Cost of Purchased Gas multiplied by the Purchase Sales Ratio. 3. Cost of Purchased Gas - The estimated cost for gas purchased by the Company from its supplier or the estimated weighted average cost for gas purchased by the Company from all sources where applicable. Such cost shall include not only the purchase cost of natural gas, but shall also include all reasonable fees for services such as gathering, treating, processing, transportation, capacity and/or supply reservation fees, and storage necessary for the movement of gas to the

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Company's city gate delivery points.

4. Reconciliation Component - The amount to be returned to or recovered from customers each month from October through June as a result of the Reconciliation Audit.

5. Reconciliation Audit - An annual review of the Company's books and records for each twelve month period ending with the production month of June to determine the amount of over or under collection occurring during such twelve month period. The audit shall determine: (a) the total amount paid for gas purchased by the Company per Section B(3) Cost of Purchased Gas to provide service to its general service customers during the period, (b) the revenues received from operation of the provisions of this cost of gas clause, (c) the total amount of refunds made to customers during the period and any other revenues or credits received by the Company as a result of relevant gas purchases or operation of this Cost of Gas Clause, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, and (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

6. Purchase/Sales Ratio - A ratio determined by dividing the total volumes purchased for general service customers during the twelve (12) month period ending June 30 by the sum of the volumes sold to general service customers during the same period. For the purpose of this computation all volumes shall be stated at 14.65 psia. Such ratio as determined shall in no event exceed 5 percent lost and unaccounted for gas.

7. Reconciliation Account - The account maintained by the Company to assure that over time it will neither over nor under collect revenues as a result of the operation of the cost of gas clause. Entries shall be made monthly to reflect, (a) the total amounts paid to the Company's supplier(s) for gas applicable to general service customers as recorded on the Company's books and records (per Section B(3)), (b) the revenues produced by the operation of this Cost of Gas Clause, (c) refunds, payments, or charges provided for herein or as approved by the regulatory authority, (d) the total amount accrued during the period for imbalances under the transportation rate schedule(s) net of franchise fees and applicable taxes, (e) an adjustment, if necessary, for lost and unaccounted for gas during the period in excess of five (5) percent of purchases.

8. General Service Customers - those customers served under general service rate schedules.

C. COST OF GAS - In addition to the cost of service as provided under its general service rate schedules, the Company shall bill each general service customer for the Cost of Gas incurred during the billing period. The Cost of Gas shall be clearly identified on each customer bill.

D. DETERMINATION AND APPLICATION OF THE RECONCILIATION COMPONENT - If the Reconciliation Audit reflects either an over recovery or under recovery of revenues, such amount, plus or minus the amount of interest calculated pursuant to Section E PAYMENT FOR FUNDS, if any, shall be divided by the general service sales

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volumes, adjusted for the effects of weather for the period beginning with the October billing cycle last preceding through the June billing cycle. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a nine (9) month period beginning with the next following October billing cycle and continuing through the next following June billing cycle at which time it will terminate until a new Reconciliation Component is determined

E. PAYMENT FOR FUNDS - If, on the average, the Company had overcollected during the period, it shall credit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest. If on the average, the Company had undercollected during the period, it shall debit into the Reconciliation Account during September an amount equal to the average balance multiplied by a percentage representing interest. This percentage shall be the same interest rate percentage that is set annually by the Public Utility Commission for Deposit Interest.

F. SURCHARGE OR REFUND PROCEDURES - In the event that the rates and charges of the Company's supplier are retroactively reduced and a refund of any previous payments is made to the Company, the Company shall make a similar refund to its general service customers. Similarly, the Company may surcharge its general service customers for retroactive payments made for gas previously delivered into the system. Any surcharge or refund amount will be included in the Reconciliation Account. Refunds or charges shall be entered into the Reconciliation Account as they are collected from or returned to the customers. For the purpose of this Section F, the entry shall be made on the same basis used to determine the refund or charge component of the Cost of Gas and shall be subject to the calculation set forth in Section (E) Payment for Funds.

G. COST OF GAS STATEMENT - The Company shall file a Cost of Gas Statement with the Regulatory Authority by the beginning of each billing month. (The Company shall file such initial statement as soon as is reasonably possible). The Cost of Gas Statement shall set forth (a) the estimated Cost of Purchased Gas; (b) that cost multiplied by the Purchase/Sales Ratio; (c) the amount of the cost of gas caused by any surcharge or refund; (d) the Reconciliation Component; and (e) the Cost of Gas calculation. The statement shall include all data necessary for the Regulatory Authority to review and verify the calculation of the Cost of Gas. The date on which billing using the Cost of Gas is to begin (bills prepared) is to be specified in the statement.

H. ANNUAL RECONCILIATION REPORT - The Company shall file an Annual Reconciliation Report with the Regulatory Authority which shall include but not necessarily be limited to: 1. A tabulation of volumes of gas purchased and costs incurred listed by account or type of gas, supplier and source by month for the twelve months ending June 30. 2. A tabulation of gas units sold to general service customers and related Cost of Gas Clause revenues. 3. A description of all other costs and refunds made during the year and their effect on the Cost of Gas Clause to date. 4. A description of the imbalance payments made to and received from the Company's transportation customers within the service area, including monthly imbalances

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GSD - 1 TARIFF REPORT

RRC COID: 3524 COMPANY NAME: UNIVERSAL NATURAL GAS, INC.

TARIFF CODE: DS RRC TARIFF NO: 20672

RATE SCHEDULE	
SCHEDULE ID	DESCRIPTION
	incurred, the monthly imbalances resolved, and the amount of the cumulative imbalance. The description should reflect the system imbalance and imbalance amount for each supplier using the Company's distribution system during the reconciliation period. This report shall be filed concurrently with the Cost of Gas Statement for October.

RATE ADJUSTMENT PROVISIONS
None

CUSTOMERS				
RRC CUSTOMER NO	CONFIDENTIAL?	BILLING UNIT	PGA CURRENT CHARGE	PGA EFFECTIVE DATE
27597	N	MCF	\$5.2810	06/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			
27597	N	MCF	\$5.2050	07/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			
27597	N	MCF	\$5.3840	08/01/2009
<u>CUSTOMER NAME</u>	Commercial customers located in Walker County, Texas			

REASONS FOR FILING		
NEW?: N	RRC DOCKET NO: 9846	CITY ORDINANCE NO:
<u>AMENDMENT (EXPLAIN):</u>		
<u>OTHER (EXPLAIN):</u>	To recover rate case expenses incurred in GUD 9797. A surcharge of \$0.18 per Mcf to be charged on all gas volumes over a 24 month period.	

SERVICES	
TYPE OF SERVICE	SERVICE DESCRIPTION
B	Commercial Sales
<u>OTHER TYPE DESCRIPTION</u>	