

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12937

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/13/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
ComAmend	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$15.50 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p> <p>PSF Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>

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RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions

COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2

Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

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Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest.

Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total.

Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review

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DESCRIPTION

Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RCE_1

RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

RCE_Ord

City Ordinances approving Rate Case Expense surcharge applicable to Tariff IDs 12937 and 12946 are as follows:

- Allen 24-32-8-05;
- Argyle 2005-17;
- Bartonville 370-05;
- Flower Mound 68-05;
- Highland Village 05-978;
- Lewisville 3248-09-2005;
- McKinney 2005-08-082;
- Parker 576;
- Ponder 05-30;
- Prosper 05-65;
- The Colony 05-1606; and

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RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	Fairview 2005-051.
	The RCE went into effect in Little Elm and Double Oak by operation of law.
CO_2	Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10
CO_3	Cities that suspended rates, but did not official join the coalition. Proposed rates went into effect March 17, 2005. Fairview, Shady Shores, and Fort Worth
CO_4	Subsequent Ordinance that joined approved coalition rates effective 06012005: Double Oak ordinance 05-15

RATE ADJUSTMENT PROVISIONS

None

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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>
1	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
4	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Prosper			
8	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
9	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
12	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Ponder			
18	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Fairview			
4486	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
8	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
1	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
4425	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
18269	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
11	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Little Elm			

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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>
4486	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
12	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Ponder			
4	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Prosper			
9	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
4426	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Fairview			
1	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
4	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Prosper			
8	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
9	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
12	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Ponder			
18	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Fairview			

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4486	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
1	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
4	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Prosper			
8	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
9	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
12	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Ponder			
18	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Fairview			
4486	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
1	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
4	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Prosper			
8	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Bartonville			

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9	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
12	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Ponder			
18	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Fairview			
4486	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Schedules CO_2, CO_3, CO_4
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

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

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DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
Com_Allen	Rate C Commercial Sales
	Application of Schedule
	Schedule applies to all Commercial Customers.
	Monthly Base Rate
	Customer's base monthly bill will be calculated using the following Customer and Ccf charges:
	Effective February 1, 2005
	Customer Charge \$15.50 per month, plus
	Volumetric Charge: First 0 Ccf to 300 Ccf \$.13792 per Ccf
	Next 200 Ccf \$.08792 per Ccf
	All Additional Ccf \$.03792 per Ccf
	Effective November 1, 2005
	Customer Charge \$15.50 per month, plus
	Volumetric Charge: First 0 Ccf to 300 Ccf \$.19313 per Ccf
	Next 200 Ccf \$.14313 per Ccf
	All Additional Ccf \$.09313 per Ccf
	Effective August 1, 2006
	Customer Charge \$15.50 per month, plus
	Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf
	Next 200 Ccf \$.19436 per Ccf
	All Additional Ccf \$.14436 per Ccf
	Purchased Gas Factor
	In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.
	Taxes
	In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by

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DESCRIPTION

the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.

Surcharges

In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).

PSF Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.

RCE_1 RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture,

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corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12938

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period. Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12938

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
6	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
6	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
6	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
6	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
6	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of Allen			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2

AMENDMENT(EXPLAIN) :

OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

TYPE OF SERVICE

SERVICE DESCRIPTION

B Commercial Sales

OTHER TYPE DESCRIPTION

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12939

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_Argyle	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers.</p> <p>Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Effective February 1, 2005</p> <p>Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.15269 per Ccf Next 200 Ccf \$.10269 per Ccf All Additional Ccf \$.05269 per Ccf</p> <p>Effective November 1, 2005</p> <p>Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.21227 per Ccf Next 200 Ccf \$.16227 per Ccf All Additional Ccf \$.11227 per Ccf</p> <p>Effective August 1, 2006</p> <p>Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf</p> <p>Purchased Gas Factor</p> <p>In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes</p> <p>In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12939

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf</p>
CO_2	<p>Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10</p>
Definitions	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.</p> <p>COMMISSION The Railroad Commission of Texas</p> <p>COMPANY CoServ Gas, Ltd., its successors, and its assigns</p> <p>CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12939

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted

for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12939

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.
 Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period. Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12939

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
7	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Argyle			
7	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Argyle			
7	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Argyle			
7	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Argyle			
7	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Argyle			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12940

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
	<p>franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf</p>
CO_2	<p>Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10</p>
Definitions	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.</p> <p>COMMISSION The Railroad Commission of Texas</p> <p>COMPANY CoServ Gas, Ltd., its successors, and its assigns</p> <p>CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12940

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted

for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12940

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.
 Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period. Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12940

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
4485	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Corinth			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12941

DESCRIPTION: Distribution Sales STATUS: A

EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009

GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:

BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
Com_Denton	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Effective February 1,2005</p> <p>Customer Charge \$15.50 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 300 Ccf \$.11565 per Ccf Next 200 Ccf \$.06565 per Ccf All Additional Ccf \$.01565 per Ccf</p> <p>Effective November 1,2005</p> <p>Customer Charge \$15.50 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 300 Ccf \$.12787 per Ccf Next 200 Ccf \$.07787 per Ccf All Additional Ccf \$.02787 per Ccf</p> <p>Effective August 1, 2006</p> <p>Customer Charge \$15.50 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf</p> <p>Purchased Gas Factor</p> <p>In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes</p> <p>In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12941

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.

Surcharges

In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).

PSF Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.

RCE_2 RIDER RCE 9.2 RATE CASE EXPENSES Applicable to: City of Denton. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis for those expenses reimbursed to the Cities, exclusive of those incurred by the City of Denton, and the Company's rate case expenses; plus, a consumption based 18 month surcharge for the rate case expenses incurred by the City of Denton calculated for the City of Denton service area. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01969 per ccf.

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12941

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Cof one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Cof, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12941

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period. Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12941

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
5	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Denton			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): File 2009 PSF rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12941

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12942

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_Frisco	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.19917 per Ccf Next 200 Ccf \$.14917 per Ccf All Additional Ccf \$.09917 per Ccf Effective November 1,2005 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12942

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12942

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12942

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12942

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
3	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Frisko			
3	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Frisko			
3	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Frisko			
3	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Frisko			
3	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Frisko			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12943

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_Murphy	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.13509 per Ccf Next 200 Ccf \$.08509 per Ccf All Additional Ccf \$.03509 per Ccf Effective November 1,2005 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.14791 per Ccf Next 200 Ccf \$.09791 per Ccf All Additional Ccf \$.04791 per Ccf Effective August 1, 2006 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12943

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12943

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12943

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12943

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
17	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12944

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_Plano	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$15.25 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.10041 per Ccf Next 200 Ccf \$.05041 per Ccf All Additional Ccf \$.00041 per Ccf Effective November 1,2005 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.11168 per Ccf Next 200 Ccf \$.06168 per Ccf All Additional Ccf \$.01168 per Ccf Effective August 1, 2006 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12944

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12944

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12944

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12944

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
2	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Plano			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12945

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_Wylie	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.10126 per Ccf Next 200 Ccf \$.05126 per Ccf All Additional Ccf \$.00126 per Ccf Effective November 1,2005 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.11844 per Ccf Next 200 Ccf \$.06844 per Ccf All Additional Ccf \$.01844 per Ccf Effective August 1, 2006 Customer Charge \$15.50 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12945

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

CO_2

Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions

COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2

Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12945

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12945

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12945

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
16	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN): OTHER(EXPLAIN): File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/13/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res	<p>Rate R Residential Sales Application of Schedule Monthly Base Rate Schedule applies to all Residential Customers. Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf</p>
RCE_Ord	<p>City Ordinances approving Rate Case Expense surcharge applicable to Tariff IDs 12937 and 12946 are as follows:</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Allen 24-32-8-05;
Argyle 2005-17;
Bartonville 370-05;
Flower Mound 68-05;
Highland Village 05-978;
Lewisville 3248-09-2005;
McKinney 2005-08-082;
Parker 576;
Ponder 05-30;
Prosper 05-65;
The Colony 05-1606; and
Fairview 2005-051.

The RCE went into effect in Little Elm and Double Oak by operation of law.

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

CO_3 Cities that suspended rates, but did not official join the coalition. Proposed rates went into effect March 17, 2005. Fairview, Shady Shores, and Fort Worth

CO_4 Subsequent Ordinance that joined approved coalition rates effective 06012005: Double Oak ordinance 05-15

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
PGF2	<p>RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.</p> <p>Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.</p> <p>Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.</p> <p>Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's. Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes,</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation

Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For

each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
1	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
3	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Frisco			
4	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Prosper			
6	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
7	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Argyle			
8	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
9	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
18	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Fairview			
4486	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
8	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
1	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
3	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Frisco			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
4425	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
18269	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
11	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
4486	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Prosper			
9	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
4426	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Fairview			
6	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
7	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Argyle			
1	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
3	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Frisco			
4	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Prosper			
6	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
7	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Argyle			
8	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Bartonville			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
9	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
18	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Fairview			
4486	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
1	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
3	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Frisco			
4	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Prosper			
6	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
7	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Argyle			
8	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
9	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Little Elm			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
18	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Fairview			
4486	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			
1	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Flower Mound			
3	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Frisco			
4	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Prosper			
6	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of Allen			
7	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Argyle			
8	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Bartonville			
9	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	The Colony			
10	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Double Oak			
11	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Little Elm			
18	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Parker			
4425	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Highland Village			
4426	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Fairview			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12946

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
4486	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	McKinney			
18269	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of Lewisville			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Schedules Co_2,CO_3, CO_4
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN):File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12947

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_Corinth	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Effective February 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.12889 per Ccf Next 50 Ccf \$.07889 per Ccf All Additional Ccf \$.02889 per Ccf Effective November 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.14646 per Ccf Next 50 Ccf \$.09646 per Ccf All Additional Ccf \$.04646 per Ccf Effective August 1, 2006 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12947

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
CO_2	<p>surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf</p> <p>Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10</p>
Definitions	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.</p> <p>COMMISSION The Railroad Commission of Texas</p> <p>COMPANY CoServ Gas, Ltd., its successors, and its assigns</p> <p>CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery</p> <p>ENVIRONS The unincorporated areas outside the city limits in the Company's service area.</p> <p>RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.</p> <p>RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.</p> <p>RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.</p>
PGF2	<p>Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.</p> <p>Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12947

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12947

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12947

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
4485	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Corinth			
4485	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Corinth			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12948

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_Wylie	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.18003 per Ccf Next 50 Ccf \$.13003 per Ccf All Additional Ccf \$.08003 per Ccf Effective November 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12948

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12948

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12948

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12948

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
16	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			
16	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Wylie			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12949

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_P1	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers.</p> <p>Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$25.00 per month, plus Volumetric Charge: First 0 Ccf to 300 Ccf \$.2519 per Ccf Next 200 Ccf \$.2019 per Ccf All Additional Ccf \$.1519 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p> <p>PSF Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12949

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
RCE_3	<p>RIDER RCE 9.3 RATE CASE EXPENSES Applicable to: Lucas, St. Paul, Shady Shores. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 36 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.00172 per ccf.</p>
RCE_4	<p>RIDER RCE 9.4 RATE CASE EXPENSES Applicable to: City of Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.00898 per ccf.</p>
CO_1	<p>Cities that did not suspend rates and for which proposed rates went into effect October 1, 2004 under operation of law: Celina, Lucas, and St. Paul</p>
Definitions_P1	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code. COMMISSION The Railroad Commission of Texas COMPANY CoServ Gas, Ltd., its successors, and its assigns CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery RATE SCHEDULE A statement of the method of determining charges for Gas Service, including the conditions under which such method applies. RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private Dwelling Unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building. RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.</p>
PGF2_P1	<p>Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions. Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority. Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12949

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues The total amount of revenues attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12949

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12949

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
19	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
18268	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
18267	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
19	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
19	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
19	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
19	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_1

AMENDMENT(EXPLAIN) :

OTHER(EXPLAIN) : File 2009 PSF rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12949

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12950

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_P1	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$11.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.2022 per Ccf Next 50 Ccf \$.1522 per Ccf All Additional Ccf \$.1022 per Ccf</p> <p>Purchased Gas Factor</p> <p>In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes</p> <p>In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges</p> <p>In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12950

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.

RCE_3

RIDER RCE 9.3 RATE CASE EXPENSES Applicable to: Lucas, St. Paul, Shady Shores. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 36 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.00172 per ccf.

RCE_4

RIDER RCE 9.4 RATE CASE EXPENSES Applicable to: City of Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.00898 per ccf.

CO_1

Cities that did not suspend rates and for which proposed rates went into effect October 1, 2004 under operation of law: Celina, Lucas, and St. Paul

Definitions_P1

COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code. COMMISSION The Railroad Commission of Texas COMPANY CoServ Gas, Ltd., its successors, and its assigns CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery RATE SCHEDULE A statement of the method of determining charges for Gas Service, including the conditions under which such method applies. RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private Dwelling Unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building. RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2_P1

Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12950

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

(1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues The total amount of revenues attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12950

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12950

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
19	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
18268	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
18267	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
19	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
19	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
19	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			
19	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Lucas			
18267	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of Celina			
18268	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	City of St. Paul			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_1

AMENDMENT(EXPLAIN) :

OTHER(EXPLAIN): File 2009 PSF rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12950

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12951

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_Denton	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers.</p> <p>Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Effective February 1, 2005 Customer Charge \$9.00 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 20 Ccf \$.10786 per Ccf Next 50 Ccf \$.05786 per Ccf All Additional Ccf \$.00786 per Ccf</p> <p>Effective November 1, 2005 Customer Charge \$9.00 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 20 Ccf \$.12888 per Ccf Next 50 Ccf \$.07888 per Ccf All Additional Ccf \$.02888 per Ccf</p> <p>Effective August 1, 2006 Customer Charge \$9.00 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf</p> <p>Purchased Gas Factor</p> <p>In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes</p> <p>In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12951

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.

Surcharges

In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).

PSF Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.

RCE_2 RIDER RCE 9.2 RATE CASE EXPENSES Applicable to: City of Denton. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis for those expenses reimbursed to the Cities, exclusive of those incurred by the City of Denton, and the Company's rate case expenses; plus, a consumption based 18 month surcharge for the rate case expenses incurred by the City of Denton calculated for the City of Denton service area. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01969 per ccf.

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12951

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted

for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Factor (PGF) A factor on each

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12951

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest.

Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total.

Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12951

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
5	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Denton			
5	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Denton			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate schedule CO_2

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): File 2009 PSF rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12951

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12952

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_Murphy	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.18461 per Ccf Next 50 Ccf \$.13461 per Ccf All Additional Ccf \$.08461 per Ccf Effective November 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12952

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf

CO_2 Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10

Definitions COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2 Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12952

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12952

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12952

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
17	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			
17	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lavon System Murphy			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12953

DESCRIPTION: Distribution Sales STATUS: A
EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_Plano	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.15726 per Ccf Next 50 Ccf \$.10726 per Ccf All Additional Ccf \$.05726 per Ccf Effective November 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.17949 per Ccf Next 50 Ccf \$.12949 per Ccf All Additional Ccf \$.07949 per Ccf Effective August 1, 2006 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12953

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
CO_2	<p>surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf</p> <p>Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10</p>
Definitions	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.</p> <p>COMMISSION The Railroad Commission of Texas</p> <p>COMPANY CoServ Gas, Ltd., its successors, and its assigns</p> <p>CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery</p> <p>ENVIRONS The unincorporated areas outside the city limits in the Company's service area.</p> <p>RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.</p> <p>RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.</p> <p>RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.</p>
PGF2	<p>Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.</p> <p>Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12953

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12953

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12953

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
2	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Plano			
2	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Plano			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN):
 OTHER(EXPLAIN): File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12954

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_Ponder	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Effective February 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.16237 per Ccf Next 50 Ccf \$.11237 per Ccf All Additional Ccf \$.06237 per Ccf Effective November 1,2005 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf Effective August 1, 2006 Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_1	<p>RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12954

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
CO_2	<p>surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf</p> <p>Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10</p>
Definitions	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.</p> <p>COMMISSION The Railroad Commission of Texas</p> <p>COMPANY CoServ Gas, Ltd., its successors, and its assigns</p> <p>CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery</p> <p>ENVIRONS The unincorporated areas outside the city limits in the Company's service area.</p> <p>RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.</p> <p>RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.</p> <p>RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.</p>
PGF2	<p>Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.</p> <p>Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12954

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein. Annual Review Period The 12 month period ending June 30 of each year. Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues. Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12954

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 12954

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
12	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Ponder			
12	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Ponder			
12	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Ponder			
12	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Ponder			
12	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Ponder			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13098

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_P2	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$25.00 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 300 Ccf \$.2519 per Ccf Next 200 Ccf \$.2019 per Ccf All Additional Ccf \$.1519 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p> <p>PSF Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13098

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
RCE_3	<p>RIDER RCE 9.3 RATE CASE EXPENSES Applicable to: Lucas, St. Paul, Shady Shores. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 36 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.00172 per ccf.</p>
CO_2	<p>Cities that joined the Coalition and approved coalition rates, effective February 1, 2005: Allen Ordinance 2371 1 05, Argyle Ordinance 2005 01, Corinth Ordinance 05 01 20 01, Denton Ordinance 2005 028, Frisco Ordinance 05 01 14, Murphy Ordinance 05 01 639, Plano Ordinance 2005 1 7, Wylie Ordinance 2005 6, Bartonville Ordinance 362 05, Flower Mound Ordinance 08 05, Highland Village Ordinance 05 971, Lewisville Ordinance 3162 01 2005, Little Elm Ordinance 691, McKinney 2005 01 007, Parker Ordinance 565, Prosper Ordinance 05 01, The Colony Ordinance 05 14, Ponder Ordinance 05 10</p>
Definitions_P2	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code. COMMISSION The Railroad Commission of Texas COMPANY CoServ Gas, Ltd., its successors, and its assigns CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery RATE SCHEDULE A statement of the method of determining charges for Gas Service, including the conditions under which such method applies. RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private Dwelling Unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building. RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.</p>
PGF2_P2	<p>Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions. Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority. Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13098

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues The total amount of revenues attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis. Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13098

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13098

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
15	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_2
 AMENDMENT(EXPLAIN) :
 OTHER(EXPLAIN) : File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13099

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Com_FortWorthAmend	<p>Rate C Commercial Sales Application of Schedule Schedule applies to all Commercial Customers.</p> <p>Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$15.50 per month, plus</p> <p>Volumetric Charge: First 0 Ccf to 300 Ccf \$.24436 per Ccf Next 200 Ccf \$.19436 per Ccf All Additional Ccf \$.14436 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p> <p>PSF Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13099

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
CO_3	<p>through 4/30/09.</p> <p>Cities that suspended rates, but did not official join the coalition. Proposed rates went into effect March 17, 2005. Fairview, Shady Shores, and Fort Worth</p>
Definitions_FW	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code. COMMISSION The Railroad Commission of Texas COMPANY CoServ Gas, Ltd., its successors, and its assigns CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery RATE SCHEDULE A statement of the method of determining charges for Gas Service, including the conditions under which such method applies. RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private Dwelling Unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building. RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.</p>
PGF2_FW	<p>Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.</p> <p>Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.</p> <p>Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage. Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein. Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf. Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's Billed Gas Revenues The total amount of revenues attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13099

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest.

Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total.

Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13099

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
4424	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_3

AMENDMENT(EXPLAIN) :

OTHER(EXPLAIN) : File 2009 PSF rate

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13099

SERVICES

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

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13100

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_FortWorth	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$9.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf Next 50 Ccf \$.14437 per Ccf All Additional Ccf \$.09437 per Ccf Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
CO_3	<p>Cities that suspended rates, but did not official join the coalition. Proposed rates went into effect March 17, 2005. Fairview, Shady Shores, and Fort Worth</p>
Definitions_FW	<p>COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code. COMMISSION The Railroad Commission of Texas COMPANY CoServ Gas, Ltd., its successors, and its assigns CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery RATE SCHEDULE A statement of the method of determining charges for Gas Service, including the conditions under which such method applies. RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately</p>

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13100

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

and individually metered in an individual private Dwelling Unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building. RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2_FW

Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues The total amount of revenues attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billings for any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The

Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13100

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total.

Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13100

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
4424	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			
4424	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Fort Worth			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_3

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13101

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_P2	<p>Rate R Residential Sales Application of Schedule Schedule applies to all Residential Customers. Monthly Base Rate Customer's base monthly bill will be calculated using the following Customer and Ccf charges:</p> <p>Customer Charge \$11.00 per month, plus Volumetric Charge: First 0 Ccf to 20 Ccf \$.2022 per Ccf Next 50 Ccf \$.1522 per Ccf All Additional Ccf \$.1022 per Ccf</p> <p>Purchased Gas Factor In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.</p> <p>Taxes In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable.</p> <p>Surcharges In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).</p>
PSF	<p>Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.</p>
RCE_3	<p>RIDER RCE 9.3 RATE CASE EXPENSES Applicable to: Lucas, St. Paul, Shady Shores. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13101

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 36 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.00172 per ccf.

CO_3

Cities that suspended rates, but did not official join the coalition. Proposed rates went into effect March 17, 2005. Fairview, Shady Shores, and Fort Worth

Definitions_P2

COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code. COMMISSION The Railroad Commission of Texas COMPANY CoServ Gas, Ltd., its successors, and its assigns
 CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery
 RATE SCHEDULE A statement of the method of determining charges for Gas Service, including the conditions under which such method applies.
 RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private Dwelling Unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.
 RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2_P2

Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.
 Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.
 Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas. Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.
 Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.
 Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.
 Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's
 Billed Gas Revenues The total amount of revenues attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billings for

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13101

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period. Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest. Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled. Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total. Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period. Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period. Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes

If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 13101

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
15	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			
15	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Shady Shores			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588	COMPANY NAME: COSERV GAS
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TARIFF CODE: DS	RRC TARIFF NO: 13101
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REASONS FOR FILING

NEW?: N **RRC DOCKET NO:** **CITY ORDINANCE NO:** See Rate Schedule CO_3

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
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A	Residential Sales
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OTHER TYPE DESCRIPTION

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/12/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
RiderPSF_E	<p>Rider PSF Pipeline Safety Fee</p> <p>Application</p> <p>Applicable to all customer classes.</p> <p>Monthly calculation</p> <p>Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC paragraph 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules.</p>
RiderRCE_E	<p>Rider RCE Rate Case Expenses</p> <p>Application</p> <p>Applicable to Residential and Commercial customer classes.</p> <p>Monthly calculation</p> <p>The bill of each residential and commercial customer shall include a surcharge designed to recover Company's rate case expenses, including reimbursement of municipal rate case expenses in accordance with Section 103.022 of the Texas Utilities Code. The surcharge will be calculated on a CCF basis using total company volumes for Residential and Commercial customers, over a period of twelve (12) months commencing with the date rates set forth in this revised tariff become effective in the city, town or environs area pursuant to a lawful order of the regulatory authority with jurisdiction.</p> <p>All collections of the surcharge will be applied monthly to the outstanding uncollected balance of such rate case expenses. To the extent that some expenses may be estimates, Company is authorized to add such expenses as incurred to the amount to be surcharged up to the total estimated expenses of Company and municipalities being reimbursed pursuant to the order in question.</p> <p>Company shall file an annual report with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate expense account.</p> <p>Rider RCE Rate equals \$.03686 per ccf plus applicable taxes.</p>
Com_E	<p>Rate CE Commercial Environs Sales</p> <p>Application of Schedule</p> <p>Schedule applies to all Commercial Customers in the Environs.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

RATE SCHEDULESCHEDULE IDDESCRIPTION

Reason for Filing

Amendment to existing tariff to implement uniform rates within CoServ's service area.

Monthly Base Rate

Customer's base monthly bill will be calculated using the following Customer and Ccf charges:

Customer Charge \$15.50 per month, plus

Volumetric Charge:

First 0 Ccf to 300 Ccf \$.24436 per Ccf

Next 200 Ccf \$.19436 per Ccf

All Additional Ccf \$.14436 per Ccf

Purchased Gas Factor

In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.

Taxes

In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of any taxes, fees, or similar levies payable by the Company to governmental or quasi governmental entities with authority over the area in which the customer resides. Any such charge will be computed by multiplying the Monthly Base Rate charges and Purchased Gas Factor charges by a factor calculated to recover the actual amount of such taxes, fees, or similar levies.

Currently applicable taxes, fees, or similar levies for each environs area are detailed on the CoServ Environs Tax Factor tariff sheet(Rate ETF).

CoServ does not assess municipal franchise fees to environs customers.

Surcharges

In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).

Line Extension Policy

The company has the right to contract with individual customers for the installation of gas facilities. Upon the request of a prospective new residential or commercial customer for service in an area served by CoServ Gas, CoServ Gas will extend its main lines up to 100 feet from an existing CoServ Gas main in the Public Rights of Way, without charge. The 100 foot allowance applies to a single customer or to a group of customers requesting service from the same extension. Customers requesting mainline extensions in excess of 100 feet shall bear the cost of any additional main, and shall bear the cost of all yard lines, service lines, customer meters and regulators, and appurtenant equipment, in accordance with the charges listed in item 12, Line Extension and Installation, of Rate M, Miscellaneous Service Charges. CoServ Gas is not required to extend its mains or facilities if

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

the customer will not use gas for space heating and water heating, or the equivalent load, at a minimum.

Rate ETF

Rate ETF

Environs Tax Factors

Frisco 4% of gross receipts Denton Co. Fresh Water Supply
Dist.No.8A,8B,9,10,11A,and 11 B

Lantana Subdiv.,Denton co. 3% of gross receipts Denton Co.Fresh Water Supply
Dists.No.6 and 7

Windmill Farms Subdiv.,Kaufman Co. 4% of gross receipts Kaufman
Co.Dev.Dist.No.1

PSF

Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.

Definitions

COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2_E

Rate PGF Purchased Gas Factor Schedule No. 2

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Purpose and Intent

This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability

This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions

Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit.

Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas.

Purchased Gas Volumes - The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s)- The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas - The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes - The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues - The total amount of revenue attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billing for any Reconciliation Factor during the same period.

Lost and Unaccounted for Gas (LUG) - Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Factor (PGF) - A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

RATE SCHEDULESCHEDULE IDDESCRIPTION

Annual Review Period - The 12 month period ending June 30 of each year.

Annual Review - An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total - The total amount determined through the Annual Review to be credited or surcharged to customers' bills, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor - A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest.

Record Keeping

The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation

The Purchased Gas Cost shall be determined for each month to accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation

Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total.

Annual Review

For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Annual Imbalance Total -- LUG Volume less than five percent of Purchased Gas

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Volumes or LUG Volume is negative

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total - LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows:

The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus,

The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation

The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows:

The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period.

The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total.

The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month.

Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month.

At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

RATE ADJUSTMENT PROVISIONS

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
13	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			
18266	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			
14	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
29398	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			
13	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
20	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
18266	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
13	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			
18266	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			
13	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17680

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
18266	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			
13	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			
18266	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: GUD 9642 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): File 2009 PSF rate

SERVICES

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

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/12/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
RiderPSF_E	<p>Rider PSF Pipeline Safety Fee</p> <p>Application</p> <p>Applicable to all customer classes.</p> <p>Monthly calculation</p> <p>Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC paragraph 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules.</p>
RiderRCE_E	<p>Rider RCE Rate Case Expenses</p> <p>Application</p> <p>Applicable to Residential and Commercial customer classes.</p> <p>Monthly calculation</p> <p>The bill of each residential and commercial customer shall include a surcharge designed to recover Company's rate case expenses, including reimbursement of municipal rate case expenses in accordance with Section 103.022 of the Texas Utilities Code. The surcharge will be calculated on a CCF basis using total company volumes for Residential and Commercial customers, over a period of twelve (12) months commencing with the date rates set forth in this revised tariff become effective in the city, town or environs area pursuant to a lawful order of the regulatory authority with jurisdiction.</p> <p>All collections of the surcharge will be applied monthly to the outstanding uncollected balance of such rate case expenses. To the extent that some expenses may be estimates, Company is authorized to add such expenses as incurred to the amount to be surcharged up to the total estimated expenses of Company and municipalities being reimbursed pursuant to the order in question.</p> <p>Company shall file an annual report with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate expense account.</p> <p>Rider RCE Rate equals \$.03686 per ccf plus applicable taxes.</p>
Res_E	<p>Rate RE Residential Environs Sales</p> <p>Application of Schedule</p> <p>Schedule applies to all Residential Customers in unincorporated areas.</p>

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Reason for Filing
Amendment to existing tariff to implement uniform rates within CoServ's service area.

Monthly Base Rate
Customer's base monthly bill will be calculated using the following Customer and Ccf charges:

Customer Charge \$9.00 per month, plus
Volumetric Charge: First 0 Ccf to 20 Ccf \$.19437 per Ccf
Next 50 Ccf \$.14437 per Ccf
All Additional Ccf \$.09437 per Ccf

Purchased Gas Factor
In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2.

Taxes
In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of any taxes, fees, or similar levies payable by the Company to governmental or quasi governmental entities with authority over the area in which the customer resides. Any such charge will be computed by multiplying the Monthly Base Rate charges and Purchased Gas Factor charges by a factor calculated to recover the actual amount of such taxes, fees, or similar levies.

Currently applicable taxes, fees, or similar levies for each environs area are detailed on the CoServ Environs Tax Factor tariff sheet(Rate ETF).

CoServ does not assess municipal franchise fees to environs customers.

Surcharges
In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).

Line Extension Policy
The company has the right to contract with individual customers for the installation of gas facilities. Upon the request of a prospective new residential or commercial customer for service in an area served by CoServ Gas, CoServ Gas will extend its main lines up to 100 feet from an existing CoServ Gas main in the Public Rights of Way, without charge. The 100 foot allowance applies to a single customer or to a group of customers requesting service from the same extention. Customers requesting mainline extensions in excess of 100 feet shall bear the cost of any additional main, and shall bear the cost of all yard lines, service lines, customer meters and regulators, and appurtenant equipment, in accordance with the charges listed in item 12, Line Extension and Installation, of Rate M, Miscellaneous Service Charges. CoServ Gas is not required to extend its mains or facilities if the customer will not use gas for space heating and water heating, or the equivalent load, at a minimum.

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

RATE SCHEDULE

<u>SCHEDULE ID</u>	<u>DESCRIPTION</u>
Rate ETF	Rate ETF Environs Tax Factors Frisco 4% of gross receipts Denton Co. Fresh Water Supply Dist.No.8A,8B,9,10,11A,and 11 B Lantana Subdiv.,Denton co. 3% of gross receipts Denton Co.Fresh Water Supply Dists.No.6 and 7 Windmill Farms Subdiv.,Kaufman Co. 4% of gross receipts Kaufman Co.Dev.Dist.No.1
PSF	Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.
Definitions	COMMERCIAL CUSTOMER A customer, other than a residential customer, and not otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code. COMMISSION The Railroad Commission of Texas COMPANY CoServ Gas, Ltd., its successors, and its assigns CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery ENVIRONS The unincorporated areas outside the city limits in the Company's service area. RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies. RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building. RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.
PGF2_E	Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

RATE SCHEDULESCHEDULE IDDESCRIPTION

This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability

This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions

Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit.

Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas.

Purchased Gas Volumes - The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s)- The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas - The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes - The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues - The total amount of revenue attributable to billings by CoServ for Purchased Gas Costs during a given period, exclusive of any billing for any Reconciliation Factor during the same period.

Lost and Unaccounted for Gas (LUG) - Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas.

Purchased Gas Factor (PGF) - A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period - The 12 month period ending June 30 of each year.

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

RATE SCHEDULESCHEDULE IDDESCRIPTION

Annual Review - An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total - The total amount determined through the Annual Review to be credited or surcharged to customers' bills, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor - A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest.

Record Keeping

The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation

The Purchased Gas Cost shall be determined for each month to accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation

Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total.

Annual Review

For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Annual Imbalance Total -- LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total - LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows:

The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus,

The Purchased Gas Costs attributable to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation

The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows:

The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period.

The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total.

The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month.

Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month.

At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

RATE ADJUSTMENT PROVISIONS

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

None

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
13	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			
18266	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			
14	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			
18266	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

CUSTOMERS				
<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
13	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
13	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			
18266	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			
13	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 17681

CUSTOMERS

<u>RRC CUSTOMER NO</u>	<u>CONFIDENTIAL?</u>	<u>BILLING UNIT</u>	<u>PGA CURRENT CHARGE</u>	<u>PGA EFFECTIVE DATE</u>
18266	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			
13	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Ponder			
14	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Environs of the Town of Prosper			
20	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Castle Hills Subdivision			
21	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lantana Subdivision			
4427	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Windmill Farms			
18264	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Argyle Environs			
18265	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	McKinney Environs			
18266	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Frisco Environs			
29398	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Lucas Environs			

REASONS FOR FILING

NEW?: N RRC DOCKET NO: GUD 9642 CITY ORDINANCE NO:

AMENDMENT (EXPLAIN):

OTHER (EXPLAIN): File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 20656

DESCRIPTION: Distribution Sales STATUS: A
 EFFECTIVE DATE: 04/01/2009 ORIGINAL CONTRACT DATE: RECEIVED DATE: 05/01/2009
 GAS CONSUMED: N AMENDMENT DATE: OPERATOR NO:
 BILLS RENDERED: Y INACTIVE DATE:

RATE SCHEDULE

SCHEDULE ID	DESCRIPTION
Res_Cross Roads	Rate R Residential Sales: Application of Schedule - Schedule applies to all Residential Customers. Monthly Base Rate - Customer's base monthly bill will be calculated using the following Customer and Ccf charges: Customer Charge \$9.00 per month, plus Volumetric Charge. First 0 Ccf to 20 Ccf, \$.19437 per Ccf. Next 50 Ccf, \$.14437 per Ccf. All Additional Ccf \$.09437 per Ccf. Purchased Gas Factor: In addition to the base monthly bill above, each customer's bill will include a Purchased Gas Factor to account for purchased gas costs and computed in accordance with CoServ Purchased Gas Factor Schedule No. 2. Taxes: In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of the city franchise fees, state gross receipts taxes, or other governmental levies payable by the Company, exclusive of federal income taxes. Municipal franchise fees are determined by each municipality's franchise ordinance. Each municipality's franchise ordinance will specify the percentage and applicability of franchise fees. From time to time, the tax factor may be adjusted, if required, to account for any over or under recovery of municipal franchise fees by the Company and to include an amount equivalent to the proportionate part of any new tax or increased franchise fee or tax, or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Surcharges: In addition to the monthly charges above, each customer's bill will include an amount for surcharges calculated in accordance with the applicable rider(s).
PSF	Rider PSF - Pipeline Safety Fee. Application: Applicable to all customer classes. Company will charge a surcharge to recover pipeline safety fees assessed by the Commission pursuant to Section 121.211 of the Texas Utilities Code and Commission Rule 16 TAC section 8.201. The surcharge will be charged not more often than once a year and will be billed following payment by the Company to the Commission, in accordance with the Commission's rules. The Company will charge a one-time customer charge per bill of \$.50, based on \$.50 per service line, effective 4/1/09 through 4/30/09.
RCE_1	RIDER RCE 9.1 RATE CASE EXPENSES Applicable to: All Areas except Denton, Lucas, St. Paul, Shady Shores, and Celina. Applicable to Residential and Commercial customer classes. Monthly calculation: The bill of each residential and commercial customer shall include a surcharge designed to recover Company's reasonable rate case expenses. The surcharge will be a consumption based 12 month surcharge calculated on a system wide basis. The surcharge will also reflect any taxes applicable to the rate case expense recovery charge. The Company shall file a final reconciliation with each regulatory authority with jurisdiction setting forth recoveries and the remaining balance in the rate case expense account. Base Charge: \$.01025 per ccf
CO_5	Cities for which proposed rates went into effect January 1, 2008 under operation of law: CrossRoads COMMERCIAL CUSTOMER A customer, other than a residential customer, and not

GAS SERVICES DIVISION
GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 20656

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

Definitions

otherwise covered by a contract under the contract rate provisions of Section 104.003 of the Texas Utilities Code.

COMMISSION The Railroad Commission of Texas

COMPANY CoServ Gas, Ltd., its successors, and its assigns

CUSTOMER An individual, family, partnership, association, joint venture, corporation, etc., or governmental agency who is receiving or who is receiving the benefit of gas service at a specified point of delivery

ENVIRONS The unincorporated areas outside the city limits in the Company's service area.

RATE SCHEDULE A statement of the method of determining charges for gas service, including the conditions under which such method applies.

RESIDENTIAL CUSTOMER Unless otherwise specified in the rate schedule, a customer whose service is separately and individually metered in an individual private dwelling unit or in an individually metered apartment, condominium, or similar dwelling and who uses natural gas primarily for Residential End Uses and occupies the building.

RESIDENTIAL END USES Heating, space heating, cooking, water heating, and other similar type uses in a dwelling.

PGF2

Rate PGF Purchased Gas Factor Schedule No. 2 Purpose and Intent This provision is intended to allow collection of the Company's gas purchase costs in a manner that will lessen monthly fluctuations in the gas cost factor and ensure that actual costs billed to customers are fully reconciled with actual costs incurred, subject to limitations for excessive lost and unaccounted for gas. The billing methods set forth herein are intended to be followed to the extent the goals are realized. To the extent the billing methods fail to achieve these goals, the methodology shall be revised and a revised tariff filed to reflect such revisions.

Applicability This clause shall apply to all CoServ Gas tariffs that incorporate this Purchased Gas Factor tariff provision and which have been properly filed and implemented with the appropriate jurisdictional authority.

Definitions Standard Cubic Foot of Gas the amount of gas contained in one (1) cubic foot of space at a standard pressure of fourteen and sixty five hundredths (14.65) pounds per square inch, absolute and a standard temperature of sixty (60) degrees Fahrenheit. Ccf one hundred standard cubic feet of gas.

Mcf one thousand standard cubic feet of gas. Purchased Gas Volumes The volumes of gas, expressed in Mcf's, purchased by the Company and received into the Company's distribution systems from all sources, including withdrawals from storage, and excluding gas injected into storage.

Purchased Gas Cost(s) The total cost of Purchased Gas Volumes, as received into the Company's distribution systems, all as more specifically described herein.

Weighted Average Cost of Gas The Purchased Gas Costs divided by the Purchased Gas Volumes, calculated on a monthly basis, and expressed as dollars per Mcf.

Billed Gas Volumes The volumes of gas billed to customers, plus volumes of gas billed to third parties following losses or damages, expressed in Mcf's

Billed Gas Revenues Gas Costs during a given period, exclusive of any billings for

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 20656

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

any Reconciliation Factor during the same period. Lost and Unaccounted for Gas (LUG) Purchased Gas Volumes minus the sum of Billed Gas Volumes and metered Company used gas. Purchased Gas Factor (PGF) A factor on each customer's monthly bill, expressed in dollars per Ccf, to reflect the Purchase Gas Costs and the Reconciliation Factor, all as more specifically described herein.

Annual Review Period The 12 month period ending June 30 of each year.

Annual Review An annual review of the Company's records covering the 12 month period ending June 30 to determine LUG volumes and any imbalances between the Purchased Gas Costs and Billed Gas Revenues existing at the end of the Annual Review Period.

Annual Imbalance Total The total amount determined through the Annual Review to be credited or surcharged to customers' bill, plus interest, in order to balance Purchased Gas Costs with Billed Gas Revenues.

Reconciliation Factor A credit or surcharge included in the Purchased Gas Factor to reflect the pro rated adjustment in billings for any over or under collections on an annual basis, inclusive of interest.

Record Keeping The Company shall keep accurate records of all gas metered in and out of its system, gas purchases, and Company owned gas injected into and withdrawn from storage, and any adjustments, including interest, relative to any imbalances. The records shall include date, quantity, and cost details for all gas handled.

Purchased Gas Cost Calculation The Purchased Gas Cost shall be determined for each month to fairly and accurately reflect the cost to the Company at the points of delivery into the Company's distribution systems. The determination shall include, but not be limited to, volumetric and demand charges for Purchased Gas Volumes, fees paid to others where such fees are integrally tied to the purchase or transportation of gas purchased by CoServ, pipeline transportation charges (both volumetric and demand), and gas storage charges (both volumetric and demand). The Company shall account for gas injected into and withdrawn from storage on a weighted average cost basis.

Purchased Gas Factor Calculation Each customer bill shall include a Purchased Gas Factor reflecting the estimated Weighted Average Cost of Gas for the period covered by the bill, which estimate shall include, as applicable, a pro rata amount to adjust for previous over or under estimates of the Weighted Average Cost of Gas, plus a Reconciliation Factor to account for any Annual Imbalance Total.

Annual Review For each Annual Review Period, the Company shall determine (i) the amount of any imbalance between the Purchased Gas Costs and Billed Gas Revenues, and (ii) the LUG volume for the Annual Review Period. As limited by the LUG volume limitation set forth below, the Annual Imbalance Total shall then be credited or surcharged, together with interest, to the customers' bills over a twelve month period commencing each September 1 following the Annual Review Period.

Annual Imbalance Total LUG Volume less than five percent of Purchased Gas Volumes or LUG Volume is negative If the Annual Review shows the LUG volume for the Annual Review Period to be less than five percent of the Purchased Gas Volumes, or if the LUG volume is negative (indicating a line gain), the Annual Imbalance Total shall be the difference between the total Purchased Gas Cost and the total Billed Gas Revenues for the Annual Review Period.

Annual Imbalance Total LUG Volume is positive and is greater than five percent of Purchased Gas Volumes If the Annual Review shows the LUG volume for the Annual Review Period to be positive and to be greater than five percent of the Purchased Gas Volumes, the Annual Imbalance Total shall be determined as follows: The difference between the total Purchased Gas Costs and the total Billed Gas Revenues for the Annual Review Period shall be determined; minus, The Purchased Gas Costs attributable

GAS SERVICES DIVISION

GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 20656

RATE SCHEDULE

SCHEDULE ID

DESCRIPTION

to LUG volumes in excess of 5% of the Purchase Gas Volumes, using the Company's Weighted Average Cost of Purchased Gas for the Review Period.

Reconciliation Factor Calculation The Annual Imbalance Total (whether positive or negative) shall be credited or surcharged over twelve months in equal total amounts per month, together with interest on the declining unrecovered or uncredited balance. The recovery shall be through a Reconciliation Factor included in the Purchased Gas Factor. The Reconciliation Factor for each month shall be determined as follows: The total interest to be collected or paid shall be computed by using a monthly interest factor equal to the annual interest rate divided by 12. The annual interest rate shall be the interest rate established pursuant to Section 183.003 of the Texas Utilities Code, as applicable to customer deposits, if any, of customers covered by this tariff, as such rate is in effect during the last month of the Annual Review Period. The total interest to be collected or paid over the 12 month period shall be added to the Annual Imbalance Total. The resulting total shall then be divided by 12 to determine the total amount to be credited or surcharged each month. Each month of the twelve month reconciliation period, the Reconciliation Factor, expressed in Ccfs, shall be calculated by dividing the sum of amount to be credited or surcharged during that month (which amount shall include, as necessary, an amount to correct for any previous over or under estimates of Billed Gas Volumes during the previous month or months in the same reconciliation period), by the estimated Billed Gas Volumes for the month. At the end of each 12 month period, any remaining balance in the Annual Imbalance Total shall be included in any Annual Imbalance Total to be credited or surcharged during the successor 12 month period.

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>
27601	N	mcf	\$5.0350	07/01/2009
<u>CUSTOMER NAME</u>	Cross Roads, Inc			
27601	N	mcf	\$4.6980	05/01/2009
<u>CUSTOMER NAME</u>	Cross Roads, Inc			
27601	N	mcf	\$4.3800	06/01/2009
<u>CUSTOMER NAME</u>	Cross Roads, Inc			
27601	N	mcf	\$4.8570	08/01/2009
<u>CUSTOMER NAME</u>	Cross Roads, Inc			
27601	N	mcf	\$4.2860	09/01/2009
<u>CUSTOMER NAME</u>	Cross Roads, Inc			

GAS SERVICES DIVISION
 GSD - 1 TARIFF REPORT

RRC COID: 5588 COMPANY NAME: COSERV GAS

TARIFF CODE: DS RRC TARIFF NO: 20656

REASONS FOR FILING

NEW?: N RRC DOCKET NO: CITY ORDINANCE NO: See Rate Schedule CO_5

AMENDMENT(EXPLAIN):

OTHER(EXPLAIN): File 2009 PSF rate

SERVICES

<u>TYPE OF SERVICE</u>	<u>SERVICE DESCRIPTION</u>
A	Residential Sales
<u>OTHER TYPE DESCRIPTION</u>	